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**No. 34**



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LABOR

OPTIMAL COMBINATION OF INCENTIVES FOR LABOR URGED

Moscow RABOCHIY KLASS I SOVREMENNYY MIR in Russian No 2, Mar-Apr 81 pp 27-40

[Article by Ye. I. Kapustin: "Incentives in a Socialist Economy"]

[Text] The planned development of the socialist economy is based on the material, moral and creative interests of each participant in national production, in the results of his own personal and collective labor.

The guaranteed continuation of the society's social progress and the completion of the extensive program to enhance public well-being--the fulfillment of this major assignment set by the 26th CPSU Congress--will only be made possible by the intensification of national production, the heightening of its efficiency and the acceleration of technological progress. In turn, this will be impossible without the maximum use of the entire system of labor incentives in national production. The plan for the next 5 years envisages "the effective use of social factors of economic growth, a combination of financial and moral incentives for labor, the enhancement of their impact on production development and the attainment of excellent results."

The economic interest of the collectives of socialist enterprises in the quantitative and qualitative results of their production and in heightened production efficiency through the maximum use of all internal reserves is ultimately reflected and culminates in the financial incentive provided to all workers at these enterprises. The extensive use of economic incentives in enterprise operations and in the management of enterprises, as well as the system of economic accountability as a whole, can only produce positive results if each member of the production collective has a personal financial interest in the results of work.

This fundamental statement applies equally to the formation of production development, financial bonus, sociocultural development and residential construction funds, made up of enterprise profits, and to incentives for the fulfillment and overfulfillment of stepped-up plans, the observance of economic contracts between enterprises, and so forth.

The optimal combination of the economic interests of the entire society, production collectives and each individual laborer, is an essential condition for the fuller social realization of public ownership of the means of production and production output, the realization of each laborer's economic status as part owner of the entire national production complex. At the same time, it is obvious that there are still some differences, and sometimes even some conflicts, between the interests of

the society, the collective and the individual. These conflicts represent one of the principal causes of such phenomena as the manufacture of substandard products by some enterprises, the inefficient use of raw materials and fixed productive assets, the nonobservance of economic agreements on cooperative deliveries, serious losses of working time and difficulties in the incorporation of scientific and technical achievements in production.

For this reason, constant effort to guarantee the fullest possible, optimal combination of these interests is absolutely essential. When the laborer's personal economic interest is directly aimed at the most effective way of solving problems facing the production collective and society as a whole, when this interest is realized only through the attainment of collective and societal objectives, and not in spite of them, this will guarantee the fullest possible combination of the necessary centralized management of national production with the initiative of workers--that is, the principles of democratic centralism will be fully revealed and neutralized.

The importance of this kind of combination was stressed repeatedly by V. I. Lenin. He wrote: "Let every factory and plant committee not only concern itself with the affairs of its own plant but also regard itself as an organizational element in the management of statewide affairs."<sup>1</sup> This affords the full range of opportunities for the display of labor initiatives by collectives and individual workers. "Initiative on the lowest levels," the November (1979) CPSU Central Committee Plenum stressed, "is an irreplaceable reserve for accelerated economic development."

Financial incentives play a special role in the combination of nationwide, collective and personal interests. Salaries and salary raises represent one of the most important motives or incentives for workers and labor collectives, directing their efforts to heighten production efficiency and improve the quality of work.

The complexity of the matter consists in the fact that the same incentives cannot be utilized for the entire production collective and each of its members. To put it more precisely, the indicators which reflect nationwide interests cannot be automatically transferred to the level of the enterprise, not to mention the individual job. On the level of the association (or enterprise), this goal must be expressed in the form of economic goals (or indicators) which will guarantee the collective's maximum contribution to the attainment of nationwide goals. It is precisely for the attainment of these economic goals that the production collective should be rewarded, and it is for their nonattainment that it should bear financial responsibility.

In turn, the enterprise assignments reflected in economic indicators should be transferred to the level of the individual work position in the form of normatives which will guarantee the fulfillment of enterprise (or association) plans. The economic or financial interests of the enterprise or any production collective will only become a real financial interest when it is communicated to each member of the collective. This means that the economic incentives of the enterprise must reach each worker and be reflected in his personal income and financial status.

The correct, scientifically sound financial stimulation of the attainment of indicators set for the enterprise, shop, brigade and each work position--presuming, naturally, that the indicators themselves are scientifically sound--is an important way of guaranteeing the harmonious combination of collective and personal interests and their optimal coordination with the national interests.

Without delving more deeply into the system of economic incentives in the production sphere, which is a vast subject in itself, the author of this article would like to analyze the financial, moral and creative incentives provided to the worker in socialist production.

First of all, it should be noted that the entire system of incentives in the socialist society is backed up by objective economic laws and the conditions that are automatically established by the prevailing form of production relations. The impact of financial rewards will depend on the degree to which they meet the objective requirements of the basic economic law and the law of distribution according to labor.

Moral incentives are backed up by public ownership of the means of production and production output, making all participants in production its joint owners, utilizing its results to satisfy their own personal and collective needs. Creative incentives are backed up by the socialist nature of labor, the law of rising demand and the basic economic law of socialism, which not only stipulate continuous growth and the fullest satisfaction of the needs of members of the socialist society for consumer goods, but also require the fullest satisfaction of the need for creative labor, which is an essential condition for the all-round--physical and spiritual--development of the individual.

Under the conditions of mature socialism, the provision of financial incentives to each worker does not lose its importance and, in fact, becomes even more important. Without the successful accomplishment of this work, it is impossible to guarantee the prevalence of intensive forms of economic development, which has now become a vital necessity. In connection with this, when the 25th CPSU Congress defined the country's basic national economic objectives for the 10th Five-Year Plan, it envisaged the need to "strengthen the stimulating role of wages and the dependence of each worker's income on his personal labor contribution and the contribution of the collective to the development of national production and the heightening of production efficiency,"<sup>2</sup> and at the 26th CPSU Congress Comrade L. I. Brezhnev stressed: "The chief criterion of distribution in the socialist society can only be labor--its quantity and quality."

Of course, as the socialist nature of labor develops and socioeconomic differences in labor are gradually eliminated, the significance of moral incentives and creative motives grows. The labor of more and more members of the socialist society is beginning to acquire increasingly visible features of communist labor--labor as a primary vital need. The objective need for the consistent, scientific substantiated differentiation of worker incomes, however, depending on differences in their labor and its results, is still present.

In the developed socialist society, financial incentives undergo considerable changes under the influence of profound qualitative changes in production. Our state is now more able to guarantee the necessary differentiation of wages while systematically increasing the minimum wage. This provides for the fuller and more consistent reflection in wages of quantitative and qualitative differences in labor and instills workers with the necessary financial interests to use their working time, tools and means of labor more efficiently, to improve their skills and to perform work requiring significant labor expenditures and more difficult production conditions.

The simultaneous increase in the minimum wage, as well as the salary rates and scales of the average worker, and the general growth of worker income with relatively stable consumer goods prices have heightened the impact of financial incentives even more. The monthly wage of workers and employees in the Soviet national economy was 12.2 percent higher in 1960 than in 1955, in 1965--that is, within 10 years--it was 34.4 percent higher, in 1970 it was 70 percent higher, in 1975--that is, within 20 years--it was twice as high, and in 1980 it was 234 percent as high.

The half-fold increase in the average wage between 1955 and 1965 provided for large-scale measures to improve the organization of wages, including a more than 2.5-fold increase in minimum wage rates and scales--bringing them up to the level of the average wage of workers and employees in 1955. Therefore, the average 1955 level became the minimum level in the 1970's, while the prices of the main consumer goods and services remained stable.

The socialist society is perfecting the system of financial incentives with a view to the balance of manpower skills on the basis of the necessary differentiation of wage rates and scales in accordance with the complexity of labor, and on the basis of a closer connection between wages and the productivity of labor, or, in the final analysis, the results of labor, which reflect the qualifications of the worker, his skills and his abilities; and, finally, on the basis of the effective use of incentive funds by enterprises, with the size of these funds controlled by society with the aid of normatives, prices and other economic levers.

One of the characteristic features of the organization of financial incentives is the preservation of significant differences in wages in accordance with the complexity of labor and, consequently, the qualifications of the worker. In the future, a dual, and even contradictory, process will apparently be evident in this sphere. On the one hand, experience has indicated that differences in wages must not be reduced, but must be increased in accordance with real differences in the results of labor; on the other hand, the present process of the gradual reduction of socioeconomic differences in labor will continue, and this will reduce differences in wages. The second tendency, however, will most likely prevail and, therefore, differences in the wages of workers should gradually be diminished in the distant future. Within this general tendency of differentiated wages and salaries in accordance with the complexity and conditions of labor, the responsibility of the individual worker could increase; in any case, this will be necessary in the next few years.

In the 1960's and subsequent years, the ratio of the wages of workers with the lowest (first) qualification rating to the wages of those with the highest rating was 1:1.8-1:2, despite the periodic wage increases for the first rating. Experience indicates that this ratio still corresponds to the system of incentives for higher qualifications and the performance of more complex and responsible work. This is why the reduction of this difference, which took place in 1968 as a result of a significant rise in the minimum wage without a corresponding change in the salary rates and scales of average and high wages, was considered to be inexpedient. The necessary wage distinctions will be restored when the system is perfected in the future.

The present salary scales envisaged a difference of up to 86 percent between the highest and lowest wage rates of workers in the mining industry, up to 71 percent in heavy industry and the textile and leather industries, and up to 58 percent in some branches of light industry and the food industry.<sup>4</sup> In a number of branches--chemicals, oil refining and others--higher rates have been introduced for the most qualified workers, and in ferrous metallurgy two additional high-level ratings have been established. On the whole, however, the institution of the new wage conditions in national production in the 1973-1975 period raised the wages of industrial workers by an average of 28-30 percent.<sup>5</sup>

During the years of the 10th Five-Year Plan, the wages of some categories of laborers and of 36 million workers and employees in the non-production sphere were increased. There was a rise in minimum wage rates and scales and in the average wage in these branches, the regional regulation of wages was perfected, experiments were conducted in the planning of wage funds on the basis of standard wage expenditures per ruble of product, and so forth.

The salary system provides for progressively larger differences between successive (or contiguous) qualification ratings. For example, the difference between the wages of the fifth and sixth (highest) ratings is 3 or 4 times as great as the difference between the first and second (lowest) ratings. The wages of middle-level engineering and technical personnel--foremen, shift engineers, designers and technologists--have risen. For example, while the wages of engineering and technical personnel in industry rose by an average of 18 percent, the salaries of foremen rose by 25-30 percent.<sup>6</sup> In spite of this, it is apparently true that the differences between the wages of skilled workers and engineering and technical personnel are still inadequate and must be increased somewhat.

Supplementary wages, to be financed by means of savings and total wages, have been established for work of high quality in the amount of up to 30 percent of the salary of engineering and technical personnel, primarily foremen, and employees, and up to 50 percent of the salary of designers and technologists. These supplementary wages were envisaged for the engineering and technical personnel of enterprises earlier, but now their maximum amount is much greater. The payment of supplementary wages to employees has also been authorized. The total amount that can be used for these supplementary payments has risen from 0.3 percent to 1 percent of the total wages of the production association (or enterprise) and the percentage of workers eligible for these payments will probably rise to 25 percent.

The need to establish supplementary payments stems from the salary scale's failure to always reflect the higher qualifications of a worker, the increasing complexity of production functions and the heightened effectiveness of labor. When the salary "fork" becomes "inappropriate" and it is inexpedient to transfer a worker to a higher position, the supplementary payment is the only way of stimulating his greater personal contribution to the overall results of work.

During the nationwide discussion of the draft "Basic Guidelines," stronger financial incentives for higher qualifications and work of better quality were proposed. We can agree with this, but only on the condition that this does not merely stimulate a rise in qualifications, but, by this means, the improvement of the results of labor. The specific qualification rating signifies only the potential quality of the worker and it is not always realized in its entirety in his work. This is why

rewards should obviously not be based merely on the attainment of a particular rating or diploma, but on the specific results of the work in which the given qualification is realized.

The directives in the 11th Five-Year Plan regarding the wage system as a whole, as speakers noted at the 26th CPSU Congress, presuppose its further improvement with a view to the complexity and responsibility of the work performed, the conditions and intensity of labor and the specific national economic branch or part of the nation in which the work is performed, a gradual rise in the minimum wages, salary scales and rates of workers and employees, primarily in the production branches of the national economy, and the thorough utilization of available reserves by enterprises and associations for the augmentation of labor productivity.

Profound changes in the cultural and technical development and general standard of living of the Soviet people and the requirements of technological progress have necessitated certain changes in the differentiation of wages according to labor conditions. For example, it is quite obviously necessary to raise wages for labor performed under unfavorable and unaesthetic conditions, as well as labor in less appealing professions, monotonous labor and, in particular, heavy manual labor.

The difference in salary rates arising from differing labor conditions is now around 30 percent, for example, in mining operations (between work underground and above ground), and around 24-25 percent in the chemical and oil refining industries and in machine building (between particularly difficult and normal conditions). Higher rates have been instituted in a number of branches for work distinguished by more difficult labor conditions (where these scales did not exist earlier); the use of higher rates in areas with particularly intensive labor has been expanded--for example, in machine building, on the main assembly conveyors with a pre-set work speed, in mass flowline production and large-series production, and so forth.

The well-organized regional distribution of manpower, the attraction of personnel to the country's eastern and northern regions, with their more difficult natural and climatic conditions, and the maintenance of a stable labor force in these regions will depend largely on the regional regulation of wages. Much has been done in recent five-year plans for its improvement. This has guaranteed essentially equivalent conditions for the reproduction of the labor force in various parts of the country.

The increased concern for the enhancement of product quality and the intensification of all production will require the optimal combination of rewards for quantitative and qualitative indicators. This is being accomplished through the considerable expanded use of bonus systems, particularly bonuses for qualitative results, as well as a closer connection between the financial rewards of workers, particularly engineering and technical personnel, and the economic results of the work of production subdivisions and the enterprise as a whole.

Much, but far from all that is necessary, has been done in this respect. By 1962 the number of personnel eligible for bonuses had already reached 70 percent, and in 1972 it was close to 85 percent. The bonus system covered 96 percent of the personnel paid hourly wages and all engineering and technical personnel. The bonuses also increased in size. By 1971 they already constituted 22 percent of

the wages of workers in industry and around 24 percent of the salaries of engineering and technical personnel. Professional census data indicate that the bonuses of many workers and engineers were as high as 30-40 percent of their wages or salaries.<sup>7</sup>

The most important and most difficult part of organizing financial incentives in the socialist society is the combination of the interests of the entire society, the production collective and each individual worker. This major objective was the purpose of the transfer to the new system of planning and economic incentives in the 1960's, envisaging the formation of financial incentive funds from enterprise profits and their use for the payment of bonuses to workers, engineering and technical personnel and employees, both for the daily results of production and in the form of annual bonuses for the general results of enterprise operations. Particularly significant changes were made in the financial incentives of engineering and technical personnel, which are almost completely covered by the financial incentive fund. In addition, many of the workers are paid bonuses from the same fund, not only in the form of awards or the annual and daily results of work but also in the form of special bonuses for the best operational indicators.

The stimulation of good results by means of an enterprise's financial incentive fund is particularly significant because it is the production collective that creates, directly by means of its labor, the source of its bonuses. In this way, better operational results lead to a larger financial incentive fund and larger bonuses paid out to enterprise personnel from this fund.

Much was done in the 10th Five-Year Plan to improve the mechanism for the formation and utilization of financial incentive funds: The precise amount of the deductions for financial incentive funds was established, and their stimulating effect on labor productivity was heightened. The best experience in the use of financial incentive funds to stimulate the individual and collective labor of workers was summarized and transmitted to other enterprises. Many proposals by scientists and technicians--for example, regarding the formation of the financial incentive fund directly from profits--were considered and tested.

The new approach to the formation of the wage fund, envisaged in the decree of the CPSU Central Committee and USSR Council of Ministers on the improvements of the machinery of economic management, is extremely important and is supposed to be employed during the current, 11th Five-Year Plan. This new approach is reflected in the transfer to wage fund planning according to constant long-term normatives calculated per ruble of product and according to the indicator employed in labor productivity planning. The savings in the wage fund, calculated in this manner, will be used to reward workers and engineering and technical personnel for the combination of professions, for the completion of assigned work volumes with less personnel and for high professional skills.

It is indicative that enterprises will not lose the opportunity to use this savings this year, or even in subsequent years. In cases involving overexpenditures of wages and the employment of surplus manpower for the completion of the production program, the enterprise will have to cover this overexpenditure with its own financial incentive fund. This will give the collective a direct interest in the fulfillment and overfulfillment of the production program with less workers, in a labor productivity growth rate that exceeds the growth rate of wages, and in the introduction of technically substantiated standards and normatives. This is how the maximum conservation of the society's labor resources will be rewarded.

The organization of financial incentives in the developed socialist society is distinguished by the continuous spread of collective forms of wages for the final results of production, particularly the collective piece-work wage, which generally means that the earnings of each worker are directly dependent on the product manufactured by the collective or brigade. This form of wages meets the requirements of technological progress, which calls for closer interaction by workers within the collective and their ability to replace one another in operations involving complex machinery and technological processes.

The development of brigade (or collective) forms of organizing labor and financial incentives is one of the major guidelines for the better organization of wages. The brigade wage heightens each member's responsibility for the results of production and leads to stronger mutual assistance and interaction by members of production brigades. The brigade form of organizing labor and wages puts the earnings of each member of the brigade under the effective--and collective--control of all his comrades. This excludes the possibility of abuses of authority and gives the collective tremendous educative power.

The need for the widespread introduction of the brigade form of organizing labor and wages was dictated primarily by the requirements of technological progress. For example, the transfer from individual piece-work wages to the collective wage in the coal industry was connected with the incorporation of coal combines, metallic drift reinforcements and a number of other improvements, the introduction of cyclical production organization and the formation of comprehensive brigades. The new equipment and organization of labor increased the speed of production processes significantly. Under these conditions, it was impossible to guarantee that each member of a brigade would perform operations only in one restricted specialty for the entire shift. This necessitated the combination of professions and the interchangeability of workers in the labor process.

In the lumber industry the transfer from the individual piece-work wage to the collective wage resulted from the extensive use of powerful machinery, the construction of roads, the augmentation of the vehicle pull and the automation of lumber processing operations in warehouses. The spread of the collective wage system in residential and industrial construction was due to the development of industrial methods of construction, the use of prefabricated reinforced concrete structures and components, the transfer to flowline methods of construction and the use of powerful construction cranes and other equipment.

All of this was accompanied, just as in the coal industry, by the reduction of the time period required for the performance of individual production operations and the entire production cycle, a change in forms of labor organization and, as a result, the formation of comprehensive brigades. By the 1960's, 50 percent of all construction workers were already members of comprehensive brigades.<sup>8</sup> There is a high percentage of piece-rate workers whose earnings depend on collective results in the production of prefabricated reinforced concrete structures, at cement enterprises and in glass plants. At some enterprises in these branches, virtually all of the piece-rate workers are paid according to collective results.

Methods of encouraging collectives to fulfill plan assignments and increase production output while reducing the number of personnel occupy a prominent place among guidelines for the further improvement of financial incentives. This is particularly important when the manpower balance is experiencing strain. For example, by

means of the efficient organization and mechanization of labor, the collective of the Azot Production Association in Shchokino reduced the number of personnel by 1,500 and increased production output 2.7-fold. Production collectives which reduced the number of personnel by means of the better organization of production and labor are authorized to use the resulting savings in total wages to pay supplementary wages to workers, engineering and technical personnel and employees for the combination of professions, the expansion of service zones and the augmentation of performance volumes, which guarantees the fulfillment of the plan with a reduced personnel staff.

The Shchokino Chemical Combine began experimenting with the use of supplementary wages and other types of material incentives in 1967 to create a financial interest in the combination of professions and the performance of assigned work volumes with less personnel. In the Ninth Five-Year Plan each enterprise was given a chance to use these forms of financial encouragement. In addition, the procedure for transferring to the so-called comprehensive use of the Shchokino method was established in April 1978--that is, the procedure for simultaneously improving the organization of labor, financial incentives and planning.

The Shchokino method has been employed at many enterprises of the chemical, petrochemical and pulp and paper industries and other branches. The procedure for establishing supplementary payments for the combination of professions specified that these payments had to be covered by the part of the savings in total wages that resulted from the freeing of personnel in comparison to inter-sectorial, sectorial and other labor expenditure normatives.

The new procedure is devoid of these restrictions, providing for the much broader use of supplementary payments to workers for the combination of professions and the performance of assigned work volumes with less personnel. Besides this, it is worth repeating that the maximum supplementary payment is now 50 percent of the worker's wage rate (or scale) instead of the previous 30 percent.

When the savings in total wages is deposited in the material incentive fund, it also becomes an additional source for various types of bonuses. The lump-sum wage is becoming increasingly widespread, particularly in construction, as are the method of the brigade contract and other systems for the stimulation of labor productivity, the improvement of quality and the economical performance of operations. Therefore, the objectives set for 1976-1980, envisaging the "more extensive use of progressive forms of financial rewards for the augmentation of production output with a smaller personnel staff, the brigade wage for the results of labor in industry and other branches and the lump-sum wage, particularly in construction and agriculture,"<sup>9</sup> were attained on the whole.

A characteristic feature of the present organization of financial incentives is the more complete coordination of the centralized, planned regulation of wages with the production collective's initiative in the selection and employment of the most effective forms and systems of salary payments in line with the specific objectives of production.

The need for economic intensification, the improvement of product quality and the acceleration of technological progress, however, are constantly raising new issues in the sphere of financial incentives. Now it has become particularly important

to reinforce the connection of not only bonuses but all wages with the results of labor in the production area or shop and the final product of the enterprise as a whole.

The "Basic Guidelines for the Economic and Social Development of the USSR During 1981-1985 and During the Period up to 1990," adopted by the 26th CPSU Congress, stress the urgent need to heighten the dependence of wages on the results of the work of the collective and each worker. We must strive for even simpler bonus systems, so that each worker will understand them clearly, give more attention to social and psychological factors in the use of various wage systems and forms, expand the practice of the periodic evaluation of the performance of administrators, specialists and engineering and technical personnel, organize periodic competitions to fill vacant positions, and increase not only financial rewards for good work but also financial liability for production defects, the incorrect use of the means of production, the nonobservance of economic agreements and so forth.

The socialist society is aware that the degree of financial interest in the results of labor depends not only on the optimal organization of wages but also on the possibility of converting monetary income into necessary material goods. Therefore, highly productive labor and the worker's degree of personal financial interest are indissolubly connected to one another.

Despite all of the successes of the 10th Five-Year Plan, there were difficulties, as speakers noted at the 26th CPSU Congress, in providing the population with some grocery items, industrial commodities, housing and consumer services. This is why it is particularly important that the future growth rate of labor productivity exceed the growth rate of wages and the real income of the population as a whole. It is only if this objective condition is met that we can expect the rise in the monetary wage, which has been set at 13-16 percent for the 11th Five-Year Plan, with "consistent effort to guarantee the stability of state retail prices on basic commodities," to be accompanied by the appropriate reinforcement of the impact of financial incentives.

It would be wrong to regard wages in the socialist society only as a financial incentive. In addition to performing this function, the wage is also extremely important as a moral incentive. In view of the fact that the individual's status in the socialist society depends totally on his labor and is determined by his labor contribution to national production, the correct organization of wages in this society must reflect the quantity and quality of this labor. It consequently reflects society's appraisal of the individual's labor, at least in terms of cost. This is why the correct evaluation of labor and its reflection in wages are acquiring more and more social, as well as economic, significance.

The combination of financial, moral and creative incentives is a fundamental feature of the socialist society. Moral incentives reflect the public interests of working people, their interest in the development of the public economy, as they represent its collective owner and the national income of the society is distributed and utilized in the interests of these working people. These moral incentives constitute one of the major advantages and distinctions of socialism.

The moral interest of the laborer in the results of his labor in national production, in contrast to his financial interest, has no direct or immediate connection with personal financial interests. There is no question, however, that a connection does exist. It is an objective connection and is reflected in socialist

production's goal of the fuller satisfaction of the material and spiritual needs of each individual, the enhancement of the well-being of all members of society and the all-round development of the individual. The force and impact of moral incentives increase in strength as each member of society gains a deeper awareness of the connection between general successes in national economic development and the financial status of each laborer, and as this connection becomes more tangible and visible--reflected, for example, in the constant growth of monetary wages and of payments and benefits from public consumption funds.

At the same time, the power of moral incentives does not consist merely in the individual's concern for his own personal well-being, which would be impossible without the successful development of national production as a whole. It consists primarily in selfless concern for the development and improvement of the entire society, in the concern of each individual, as V. I. Lenin said, "or the distant as well as the near--that is, for more than just himself."

Moral incentives are indissolubly connected with the proprietary attitude toward all of socialist production, which is aroused in all Soviet laborers and which, in turn, is reinforced by the laborer's active participation in the distribution and use of public consumption funds, as well as in production management, and is an important condition for effective moral stimulation.

Public consumption funds, which are used to finance free education, comprehensive medical assistance, financial security for the elderly and other social measures, amounted to more than half a billion rubles in the last 5 years. Per capita payments and benefits from these funds were valued at 438 rubles in 1980, as against 354 rubles in 1975. In the new 5-year period they will increase another 20 percent.<sup>10</sup> Funds for housing construction and social measures, which are created at each enterprise from its profits in accordance with specific normatives, play a significant role in raising the standard of living for workers and employees. The entire population can sense society's concern for the improvement of housing conditions. The housing conditions of more than 50 million people improved, for example, in just the years of the 10th Five-Year Plan.<sup>11</sup> The USSR is the only country in the world where the constitution guarantees each citizen the right to housing.

The participation of each worker in production management, particularly in such forms as socialist competition, broadens the range of individual interests, demonstrates the indissoluble connection between individual labor and the operational results of the collective and the society as a whole and has a considerable effect on the way of life in the socialist society by reinforcing moral incentives. The right to participate in various forms of production management actively influences the development of the way of life of members of the socialist society, the goals of the individual, his interrelations with members of the production collective and the incentives and motives of his labor and public activity.

The socialist countries have a balanced democratic system for enlisting the services of laborers to manage the affairs of society from the bottom up--from the enterprise, as the primary social cell, to the scale of the entire society. "In our opinion, the improvement of our socialist democracy primarily signifies constant provision for increasing participation by laborers in the management of all public affairs, the continued development of the democratic basis of our government

and the creation of conditions for all-round personality development."<sup>12</sup> This is clearly corroborated by the new Constitution of the USSR, which legally secures this right for each member of the society. The 26th CPSU Congress demanded that communists and all Soviet people "heighten the role and initiative of labor collectives in management and planning."

The heightened effectiveness of moral incentives is reflected primarily in the development of socialist competition, which is an extremely important form of effective participation by laborers in production management. The prevailing attitudes in socialist competition, which are an objective result of public ownership of the means of production, reflect the attitudes of laborers, as collective owners of socialist production, toward their labor in national production and its results.

The maturity of socialism is manifested in the sphere of social competition primarily in the expansion of its dimensions to cover virtually the entire national economy. It even transcends national boundaries when the enterprises and labor collectives of many socialist countries compete with one another.

The orientation of competition has changed in recent years and it is now directed more toward final goals. When laborers compete with one another and take on socialist commitments, they are striving more and more to accelerate technological progress and heighten production efficiency. The results of the competition now take the specific form of technological progress. The goals and indicators used in evaluating competition are closely connected with the objectives of technological progress.

The higher degree of collectivization of socialist production and the development of socialist cooperation in public labor have necessitated and brought about the considerable reinforcement of the particular forms of competition which, by guaranteeing the accomplishment of outstanding labor feats by individual workers and production collectives, create the necessary conditions to strengthen and develop production ties within the national economy, which are needed in the struggle for excellent production results.

These promising forms of socialist competition are developing particularly rapidly, not only within enterprises but also between enterprises and organizations, industrial branches and national regions, related to one another by production technology. This type of competition is generally called "competition by related units." It is supposed to stimulate not only the augmentation of the production output of a particular enterprise, but also guarantee the manufacture of specific products on specific dates to secure the final results of the work of interrelated enterprises. This kind of competition is an important way of guaranteeing the fulfillment of reciprocal plans by interrelated enterprises. These reciprocal plans are being included more and more effectively in the system of national economic planning as an essential element of this system.

Moral incentives for labor are having an increasing effect on production development. They are particularly significant in those cases when financial incentives do not produce the necessary results for one reason or another. It is precisely these moral incentives that motivate the members of the Soviet society to accomplish tremendous production tasks under particularly complex and difficult conditions. The combination of moral and financial interests and the use of financial and

moral incentives for the same purpose, to attain the same objectives and specific goals, dramatically heightens the overall impact of stimulation.

The socialist society has a large variety of moral rewards at its disposal: from the simple expression of gratitude by the collective to a particular member to the conferment of state prizes and government honors. Of course, they require more flexible and substantiated use and cannot be applied mechanically. The efficacy of their use, particularly on the level of the enterprise and its subdivisions, requires--more than the use of financial incentives--all-round consideration of the specific features of the various groups of workers and individuals to whom these incentives are provided. When means of moral encouragement are being selected, consideration is given to such factors as the professional seniority, work experience, cultural and technical level, sex and age of the worker, working conditions and other factors affecting the state of mind of individual workers or production collectives and motivating their activity. This is why the further enhancement of the effectiveness of moral incentives will indisputably be connected with the more extensive training of leaders of collectives, in sociology and social psychology as well as economics. The use of various forms of moral encouragement, with consideration for the specific conditions of their use, is an exceedingly important element of the scientific organization of labor at socialist enterprises.

In addition to its purely moral incentives, our society also has certain incentives which are indissolubly connected with the moral type but have a distinctively different nature. These are rapidly acquiring increasing significance and force. They are the incentives that stem directly from the worker's creative interest in the process of labor. Creative incentives and creative interest in labor are the results of the individual's display of interest in his work as a creative process, in which he can reveal his individuality and display and develop his abilities.

The creative nature of labor can give the worker the highest satisfaction apart from financial incentives or even in spite of them. There have been many cases in which workers have preferred jobs with low salaries because they are much more interesting and creative, because the worker not only derives a specific income from this kind of job, but is also given broader opportunities to disclose many or all of his physical and, in particular, mental abilities. This is extremely important in the all-round development of the individual.

Naturally, creative and moral incentives are indissolubly connected in the socialist society, as creative satisfaction can only be derived from labor which is devoid of exploitation and which benefits other people and the society. In our opinion, however, they should not be confused because their sources differ. For example, when a worker performs a job that is monotonous but is necessary to society, he does not experience any creative satisfaction but he does derive moral satisfaction because the results of this labor are indisputably necessary to the society. If, on the other hand, his job gives him creative satisfaction, he simultaneously experiences creative and moral interest.

The rising cultural and technical level of workers, their heightened well-being and the profound changes in the content and nature of many types of labor under the influence of technological progress--all of this heightens the interest in creative incentives. In many cases the use of even quite considerable financial incentives cannot attract enough workers for jobs that are monotonous, offer little opportunity for creativity and are unpromising in terms of possibilities for

professional advancement. This is attested to by an analysis of the causes of personnel turnover. One of the major causes is the worker's dissatisfaction with work which does not reveal his mental potential or give him enough opportunity to use his knowledge and experience.

The use of creative incentives means, above all, that all types of primarily physical labor must be supplemented with more and more elements of creative mental labor. In connection with this, requirements for the techniques, technology and organization of production are rising dramatically.

The current state of production technology, however, indicates that fairly monotonous labor will apparently remain necessary for a long time. This does not exclude, however, the possibility of a responsible and creative approach to work, and it does not mean that only financial incentives are effective in these cases. A conscientious and creative approach to work elevates the rank-and-file worker to the level of a genuine hero of labor. Any sign of contempt for this kind of rank-and-file work is unacceptable in the socialist society. It is extremely important to instill youth with a creative attitude to any kind of work that produces material goods for society.

As a rule, no incentives exist in "pure" form in the socialist society. In terms of their effect on the individual worker and the entire production collective, all incentives are combined in some way and function simultaneously. It would obviously be wrong to categorize some incentives as only financial, and others as only moral, and it would be even more incorrect to contrast them. The secondary function of financial incentives consists in their moral effect on workers. In turn, the use of moral incentives often brings workers certain financial benefits. As a rule, moral encouragement is accompanied by definite financial interest: more rapid professional advancement, housing benefits, free or low-cost trips to recreational centers or health resorts, and so forth.

The effective use of financial, moral and creative incentives depends largely on their correct combination, which presupposes the following:

All of these incentives must have the same purpose--that is, they must be aimed at the same goal;

Particularly effective means of moral encouragement must be used in those cases when financial incentives are inapplicable or ineffective for some reason;

Particularly sizable financial incentives are needed wherever creative incentives are inadequate and the labor is monotonous and the problem is compounded by more difficult labor conditions;

When various forms and methods of financial and moral encouragement are combined, consideration must be given to the specific features of the group of workers being encouraged. In the process of stimulation, it is important to make full use of increases in income, material goods and various forms of public gratitude, and to reduce income if the quality of work should deteriorate, require the worker to cover losses, subject him to the reprimands of the collective, and so forth.

It is incorrect to contrast one type of incentive with another—for example, financial with moral. This objectively requires workers to choose between private and public interests. This not only harms production but also inflicts irreparable damages on the indoctrination process by promoting displays of egotism and other antisocial behavior.

Socialist production relations make it fully possible to guarantee the optimal combination of all incentives in all cases, effectively and according to plan. The attainment of precisely this combination will be one of the most important elements of the further improvement of the mechanism of socialist economic management in the 11th Five-Year Plan.

#### FOOTNOTES

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2. "Materialy XXV s"yezda KPSS" [Materials of the 25th CPSU Congress], 1976, p 167.
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5. PRAVDA, 13 July 1977.
6. "Trud i zarabotnaya plata v SSSR," p 269.
7. Ibid., pp 279-280.
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9. "Materialy XXV s"yezda KPSS," p 217.
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ECONOMIC INCENTIVES FOR SCIENTISTS TESTED, EVALUATED

Incentives Tested in Siberia

Moscow SOTSIALISTICHESKAYA INDUSTRIYA in Russian 19 Jun 81 p 2

[Article by N. Il'inskaya (Novosibirsk): "The Authority of a Partner"]

[Text] In the nature of an experiment, the Siberian Department of the USSR Academy of Sciences has been authorized to set up a new system of economic incentives in its scientific research institutes and design bureaus. This is expected to heighten the interest of academy collectives in the resolution of pressing problems and to put scientific achievements to practical use in the production sphere more quickly.

"It is essential to the country that the efforts of 'big science,' in addition to working on theoretical problems, be focused more on the resolution of cardinal national economic problems and on discoveries that can bring about truly revolutionary changes in production," Comrade L. I. Brezhnev said in his report at the 26th party congress. The importance of this statement is obvious: It is precisely fundamental research that paves the way for the development of fundamentally new equipment and technology and for qualitative changes in the nature of production and labor conditions.

This is also the reason for the high yield of fundamental science. For example, the incorporation of the applied studies of the Mining Institute of the USSR Academy of Sciences, Siberian Department, produced a savings of 56 million rubles in just 1 year. This sum is more than four times as great as the cost of maintaining the institute for 5 years.

The Mining Institute is one of the three collectives in the academic community where the basic principles of today's broad-scale experiment began to be tested 8 years ago. The main principle is that the scientists, metaphorically speaking, become "shareholders" in the production changes brought about by their suggestions. The incentive funds of institutes are supplemented in direct proportion to the resulting economic savings.

The majority of sectorial institutes have set up this system of incentives for research and development. But what can it do for academic science?

"Fundamental research has always been the chief function of academy institutes," Academician A. Trofimuk, first deputy chairman of the Siberian Department of the USSR Academy of Sciences, underscored when he answered this question. "But the results of this research can have a considerable impact when they are put to practical use. In essence, this means that they must be given material form and carried to a level which makes their incorporation in production possible. This work would take some people away from fundamental research and would necessitate additional resources and a separate production base. Nonetheless, we believe that in many cases this work could be performed by academy collectives if their efforts were to be backed up by the assistance and interest of enterprises."

How can closer economic and organizational ties be established between academic science and the national economy? In the Siberian Department of the USSR Academy of Science a solution to this problem was found in extensive cooperation with sectorial research institutes and enterprises. But what principles serve as the basis for the mutual interest of these partners? What kind of research findings are of primary importance in the production sphere?

The most important are those which would help to reduce overhead costs, raise the technical standards of production, augment productivity, improve working conditions and bring about the radical improvement of technology. Under these conditions, it is important to the scientists that the principles of continuity and a comprehensive approach lie at the basis of the planning and funding of applied studies. This would guarantee the completion of all stages of a research project--from investigation to incorporation.

These considerations served as the basis when the legal fundamentals of interaction were drawn up--statutes on the procedure for the formation and use of economic incentive funds by academy establishments. In accordance with this procedure, the sums deposited in these funds will depend directly on the economic gain resulting from the practical use of research findings. The system is constructed in such a way that the largest sums are deposited for reduced overhead costs and for surcharges on the wholesale prices of products of the highest quality.

For example, the incorporation of technology and equipment for blast welding at the Siblitmash Plant of the Ministry of the Machine Tool and Tool Building Industry produced additional profits of 170,000 rubles by reducing overhead costs. The sum deposited for this work in the incentive funds of the Hydrodynamics Institute, which proposed the technology, was 5,000 rubles. The new system for the formation of incentive funds causes scientists to take a more practical approach to the choice of the subject matter of applied research and development and strive to guarantee the high standards of proposed designs. It gives them an interest in the final results of the incorporation of research findings. Production workers have an incentive to incorporate promising developments as quickly as possible. But there are even finer facets to the experiment, which were described to me by Candidate of Economic Sciences Yu. Tychkov:

"It is possible that this will sound rather extraordinary as an economic distinction, but the authority of a partner plays an important role in industry's interrelations with science. This presupposes the production workers' complete trust in scientists' proposals, excluding the possibility of the request 'Trust us, but be sure to test us.' It is customary for the enterprise to deduct part of its

economic savings and turn it over to institutes after the savings has been acquired, after, for instance, new equipment has started operating and is producing goods. But what happens while the equipment is being built? It is during this stage that our partners--scientists and developers--often experience difficulties.

"We industrial workers have agreed to advance funds to scientists without waiting until the scientific achievements have been put to use and the profits have been earned. How is this done? The calculations are based on the so-called guaranteed savings, which is determined by the developer. Naturally, the client and the user of the new product must approve the sum specified by the scientist."

"But what about the risk?"

"There is none," Tychkov did not even let me finish my question. "The authority of Siberian science serves as the collateral. During the years leading up to today's economic experiment, there were no cases in which the scientists' forecasts were unsound. We were more likely to see the opposite; we often had to make additional deposits into their funds because the actual gain was greater than the guaranteed savings."

The settling of accounts in accordance with the guaranteed savings indicates more than just the spirit of the experiment. This new level of interaction by science and production, on which moral considerations are taken into account, gives rise to a higher sense of responsibility for the results of collective labor. The practical and businesslike approach of the partners is organically combined with their work toward a common goal.

Many people might ask how academic science will benefit from the experiment. Might this not lower the standards and reduce the volume of fundamental research? When I asked the Mining Institute's director, Ye. Shemyakin, corresponding member of the USSR Academy of Sciences, these questions, his reply was unequivocal:

"First of all, I should say that when we agree on the subject matter of joint projects with enterprises, we propose projects that are geared to the future and will promote technical progress in the branch. There can be no question about the economic side of the experiment. The sums received for contracted work increase the total financing for our work. These additional resources create favorable conditions for the expansion of fundamental research and the development of new promising fields. In addition, we have been given a chance to conduct experiments directly in the industrial situation. This has reduced the amount of time required for the development and incorporation of new machines and technological processes by almost half and has considerably reduced the expenses related to this work."

I visited enterprises, sectorial research institutes and academy institutes. The common opinion was that the experiment is offering new opportunities for cooperation by academic science and industry. The degree to which the authority of academic science has risen in industry in recent years can be judged from the example of the three institutes, of hydrodynamics, mining and semiconductor physics, which paved the way for the experiment.

There is a clear tendency toward the growth of contracted work volumes. In particular, the volume of contracted work performed by these three institutes increased

by 2.4 million rubles during 6 years of the experiment. In other words, it more than doubled. Clients' deposits in institute incentive funds exceeded a million rubles, more than 400,000 of which was earmarked for sociocultural undertakings and residential construction.

The national economy has also received tangible benefits. For example, the Mining Institute's fundamental research led to the proposal of new technology for the closed-cycle concentration of nonferrous ores. Its use will produce a savings of more than a million rubles for each 50,000 tons of ore. The results of the Hydrodynamics Institute's cooperation with the Kyshtymskiy Machine-Building Plant of the Ministry of Heavy and Transport Machine Building are even more indicative: The development and incorporation of alloy-cutting tools cost the enterprise 92,000 rubles, but the annual economic gain from the incorporation of just one unit will exceed 5 million rubles. Compare these figures and it becomes obvious that this is precisely the kind of contribution that the nation has been anticipating from "big science."

#### Closer Ties with Production

Moscow PRAVDA in Russian 20 Jun 81 p 2

[Article by Professor K. Taksir, deputy chairman of the Scientific Council of the USSR Academy of Sciences on the Economic Problems of Technological Progress (Moscow): "For Closer Ties"]

[Text] The great successes of Soviet scientists in the area of fundamental research, speakers noted at the 26th CPSU Congress, have brought about the most significant changes in production technology and equipment. The tremendous impact of the achievements of academic science is attested to by the following examples. The creation of polymer materials with fillers by the Chemical Physics Institute of the USSR Academy of Sciences paved the way for the industrial production of pipe on this basis. The resulting savings in capital expenditures will amount to at least 2 billion rubles a year, and steel pipe requirements will be reduced by 6 or 7 million tons.

Here is another example. At the initiative of the Ukrainian SSR Academy of Sciences multi-ply pipes, which withstand pressure of up to 120 atmospheres and can pump approximately twice as much gas, will be used in the national economy. This could reduce capital investments by a billion rubles. The first gasoline made of this kind of pipe will be laid in the 11th Five-Year Plan.

In recent years academic science has had more direct influence in the production sphere, and effective forms of their integration are becoming more widespread. Positive experience in this kind of cooperation has been accumulated by the Siberian Department of the USSR Academy of Sciences and the academies of the Ukraine, Belorussia and a number of other republics.

Close ties between fundamental and applied research and production guarantee the quicker incorporation of fundamentally new types of equipment and technological processes. Many years of experience testify to the economic expediency of

incorporating major inventions and discoveries in production, which are capable of influencing the entire branch and not just the individual enterprise.

When Academician A. P. Aleksandrov, president of the USSR Academy of Sciences, spoke at the 26th CPSU Congress, he discussed the positive experience accumulated in the cooperation of academic establishments with the Ministry of Railways and the ministries of the electronics, chemical and other industries. Several ministries and departments, however, have underestimated the effectiveness of joint work with academy establishments and the need for the priority development of fundamental research. One of the reasons for this is the inadequacy of legal and economic regulations governing the interrelations of establishments of the USSR and union republic academies of sciences with departmental research institutes, design bureaus and industrial enterprises. In a number of cases, research institutes and design bureaus have essentially taken the credit for the results of research conducted within establishments of the USSR Academy of Sciences and have deposited the fruits of their contracted work in their own accounts without even making any references to the academy institutes.

We must improve the system for the transmission of the inventions of scientific organizations of the USSR Academy of Sciences to sectorial ministries and departments, which do not bear any responsibility for the timely investigation and use of these projects. Each year they incorporate more and more minor, insufficiently effective inventions. At the same time, they delay decisions on major inventions. For example, the savings gained from the use of inventions at enterprises of the Ministry of Chemical and Petroleum Machine Building has not increased in recent years, and many of the inventions used in the design of new equipment are ineffective. It would seem that there should be a standard procedure for the transmission, investigation and implementation of the most important results of research conducted by the USSR Academy of Sciences and republic academies. Representatives of these organizations must take part in the investigation of proposals, and schedules must be drawn up for the entire incorporation process, right up to the determination of the final result.

It would also be expedient for USSR Gosplan to set up an interdepartmental commission, made up of representatives of the USSR Academy of Sciences, state committees of the USSR for science and technology, for construction affairs, for inventions and discoveries and for labor and social problems and the USSR Ministry of Finance, to investigate, with ministerial and departmental participation, major scientific and technical proposals of great national economic importance. After these proposals have been analyzed, USSR Gosplan, ministries and departments must include specific tasks and measures connected with their development and incorporation in five-year and annual plans. The enterprises and construction sites where the results of scientific research will be implemented should be determined in advance so that production preparations can be made jointly with sectorial research organizations and establishments of the USSR Academy of Sciences.

Unfortunately, the existing system for funding contracted work performed by academy institutes has not been perfected. Academy institutes have no chance to use the sums received on the strength of these contracts to enlist the services of outside specialists they may need for the performance of this work, as the VUZ's do, send researchers on assignments or award financial bonuses to those who contributed a

great deal to the successful outcome of the work. The VUZ's can use one-fourth of the contract sum to pay professors and instructors half-wages for holding more than one job. Academy institutes do not have the right to do this.

In my opinion, it would be expedient to establish the procedure for the use of profits resulting from the incorporation of research findings and the distribution of these profits among institutes of the USSR Academy of Sciences and enterprises. In this connection, the experiment being conducted in the Siberian Department of the USSR Academy of Sciences and the Ukrainian SSR Academy of Sciences, concerning the formation of economic incentive funds in direct proportion to the economic savings guaranteed by the developer, deserves discussion.

I think that the future successes of institutes of the USSR Academy of Sciences and republic academies will depend largely on the optimal ratio of fundamental research to applied studies and of contracted operations to budget-financed work. The necessary proportions are not being maintained in some academy establishments, particularly republic organizations, and much of their contracted work has nothing to do with the institute's special field of study.

Experience has proved the practicality of comprehensive long-range scientific and technical programs aimed at the total remodeling of various production units on the basis of the latest scientific achievements. In this connected, the experience of the Ukrainian SSR Academy of Sciences and Siberian Department of the USSR Academy of Sciences in carrying out programs for the unification of the Likhachev Automotive Plant and the Sibsel'mash Plant, envisaging the establishment of fundamentally new technological processes to considerably heighten labor productivity and radically improve product quality, is indicative. During the years of the 10th Five-Year Plan the results of 17 major projects of scientists from the Ukrainian SSR Academy of Sciences were incorporated in production successfully in the automotive association.

The time has come to draft a statute on comprehensive brigades made up of scientists from the USSR Academy of Sciences, sectorial research institutes and VUZ's and workers from enterprises for the resolution of major scientific and technical problems, and to determine the duties of these brigades and the procedure of planning their activity.

Serious difficulties have arisen in the organization of the work of sectorial laboratories and divisions established in academy institutes. As a rule, they have been financed by production units and have filled specific orders for ministries. Now, however, the procedure for the determination of work quotas for institutes has been complicated for no good reason. This is due to all of the various agreements and decisions of numerous bodies, which take a great deal of time. Even within a union republic it is impossible to set labor quotas without the consent of the union or union republic ministry.

Shortcomings in the planning and financing of joint work by academic scientific establishments with the production sphere are delaying the allocation of capital investments and industrial facilities for the testing of experimental models. For example, this is the reason for the delays in the construction of equipment for the

derivation of a chlorella compound for poultry breeders, developed in the Uzbek SSR Academy of Sciences.

The accountability report of the CPSU Central Committee to the 26th party congress states that research and design work must have closer economic and organizational ties with production. The attainment of this important objective will accelerate the incorporation of scientific discoveries and inventions and will heighten production efficiency.

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## LABOR

### WORKING CLASS AND MENTAL WORK

Moscow KOMMUNIST in Russian No 5, Mar 81 pp 59-70

[Article by S. Popov, candidate of historical sciences]

[Text] The key problems of improving social relations and educating the new man under mature socialist conditions were supplied their theoretical and political substantiation in the documents of the 26th CPSU Congress. Serious attention was paid to socialist labor--the principal realm of activity of the Soviet people. The congress reemphasized our party's loyalty to the ideals of the communist transformation of labor and its conversion into a prime vital need.

In his article "The Great Initiative," in which he discussed the premises for the total elimination of classes, V. I. Lenin singled out the elimination of disparities between people engaged in physical and mental work as the most important prerequisite (see "Poln. Sobr. Soch." [Complete Collected Works], Vol 39, p 15). The establishment of the social uniformity of labor was a thing of the distant future in 1919, when the article was written. Today it is being systematically and practically applied and analyzed ever more profoundly in scientific works. The 26th congress directed the Soviet social scientists to study the most topical problems of social development. It deemed necessary the study of the evolution of the social structure of developed socialism, whose improvement must bring about the establishment of a classless society. In this connection, the scientific interpretation of the role of the working class in the assertion of the social unity of labor and in the elimination of the major disparities between mental and physical labor assumes prime significance.

This topic remains a subject of sharp ideological struggle. Contrary to the Marxist-Leninist positions, the bourgeois sociologists are still trying to prove the permanent and insurmountable nature of the social division of labor. As they update long compromised arguments and generate new "theories," they defend the "legitimacy" of the division of people into so-called spiritual leaders of society and obedient slaves.

The fashionable biosocial theory of stratification is one such Western "discovery." According to its defenders, the sociostructural and labor inequality, the barrier between physical and mental labor in particular, is as natural and inviolable as differences in the ground strata or the atmosphere. This, it is claimed, has been true of all times and social systems, including our country,

which is building communism. "Fifty years after the Bolshevik Revolution," the American scientist J. Heims claims, "a new and truly rigid stratification has developed and stabilized."

The bourgeois ideologues are trying to defame and to question the wealth of spiritual life of the Soviet people and the successes of the real progress which the developed socialist society is making toward social homogeneity and complete social labor equality. The preachers of anticomunism insist that the scientific and cultural achievements of the USSR and the other socialist countries are the result of the efforts of a special group of thinking people who, allegedly, have monopolized education and science and, by this token, perpetuated the contrast between physical and mental work.

Such "theories" and slanderous fabrications invariably become ideological garbage. The stupidity of their nature is confirmed by the entire history of mankind and the practice of real socialism. The division of people into mental and physical workers legitimately appeared at a specific stage in the development of society and will disappear with the total victory of communism.

The founders of scientific communism proved irrefutably that in the early stages of the development of human society, in terms of its functions and expenditures of mental and physical energy, there was only a single type of social labor. "The individual cannot influence nature without using his own muscles controlled by his own brain," K. Marx wrote in "Das Kapital." "In the way that in nature the head and the hand are part of the same body, in the labor process mental and physical labor come together" (K. Marx and F. Engels, "Soch." [Works], Vol 23, p 516). The mind controls the physical actions of the person, because he "not only changes the form of what nature gives us, but in terms of with what has been given to us by nature, he pursues his own conscious purpose which determines, like a law, the method and nature of his actions and which he must subordinate to his will" (ibid., p 189).

According to Marx and Engels, the social inequality of people in the labor process becomes reality only when material and spiritual labor become divided. This takes place in a "spontaneously developed society," which was the term they used in describing antagonistic socioeconomic systems. The appearance of private property is the companion and the consolidating factor of this division.

The tempestuous development of capitalist machine manufacturing represents the increasing economic enslavement of the working class and the spiritual plunder of it. The "hostile clash" between mental and physical labor under capitalism cannot be reconciled, smoothed over, or eliminated. Marx and Engels convincingly described the way the capitalist system stupefies the worker, making him an appendage to the machine and turning his work into a painful process. They considered as one of the objectives of the victorious proletariat "the reaching of full and unlimited autonomy which consists of ownership of all production forces and the consequent development of overall capabilities" (K. Marx and F. Engels, "Soch.," Vol 3, p 68).

Therefore, the creators of scientific communism saw in the working class the leading force which could not only break the chain of exploitation but destroy the

monopoly of mental labor of the ruling class. The historical mission of the proletariat--the overthrow of the power of the exploiters, the liberation of the working people and the building of a communist society--was defined clearly. If this was to be accomplished, the proletariat had to become not only united as a class, acquire labor training and an inordinate amount of willpower but reach a sufficiently high intellectual level as well. The proletariat is able to acquire reserves of mental energy and experience even under conditions of oppression, deprivation and uncertainty, when the bourgeoisie, in an effort to perpetuate its rule, is doing everything possible to exhaust spiritually and to enslave the proletariat and to bring the worker to the role of an appendix of the machine, with no ability to think for himself. The capitalists have always feared the educated and politically mature worker.

Today the spiritual plundering and suppression of the proletariat in the capitalist countries is not limited to the fact that on their way to proper education the children of the workers occasionally encounter insurmountable obstacles: the cost of education is rising and allocations for social needs are being curtailed. Such a policy pursued by the ruling classes is combined with the influence which the tremendous propaganda machine, the information media and the low level stupefying so-called mass culture has on the minds of the working people.

However, nothing can stop the irreversible process of accumulation of intellectual energy by the working class and the growth of its social and political activeness and revolutionism.

To begin with, even under the conditions of a cruel exploitation, the bulk of the working people do not lose the ability to think creatively and to invent. This was expressively pointed out by J. D. Bernal: "History is written by trained and educated people; for this reason the role which workers and peasants play in progress has always been undervalued. However, the first strikes against ignorance have been dealt, most frequently, by craftsmen and only afterwards perpetuated by the scientists in their books." The noted British scientist goes on to illustrate his postulate with a number of examples: 15 years before the royal physician Guillet, who became part of history for his discovery of earth magnetism, Robert Norman had made a compass and had described the phenomenon; the telescope which Galileo used in his astronomical observations was put together and tuned by Lippersgey, the craftsman-optician. More recently, many workers in capitalist enterprises have taken part in outstanding inventions. The names of most of them, however, have remained unknown.

Secondly, in the contemporary scientific and technical revolution the development of production process generates increasing demands toward the worker--the producer of the latest equipment and its "master." This forces the ruling class to raise the educational standard of at least some of the workers; in this case, their mental work and spiritual potential are subjected to merciless exploitation.

The third and most important fact is that the working class, which acts as an organized force and which even in the past refused to tolerate a policy of spiritual enslavement, today intends to surrender to this policy even less. The entire history of the class struggle waged by the proletariat proves that in the

crucible of the trials the fighters not only develop their courage, strength and unity, but a desire for education, culture and science as well.

Progress ideals and Marxist-Leninist and communist ideology are nothing but ideals and ideology which the proletariat experienced and developed but was unable to substantiate theoretically by itself. That is precisely why it is so receptive to a scientific revolutionary outlook, and that is precisely why the Marxist-Leninist parties are successfully resolving the problem of promoting a socialist awareness among the workers' masses. Furthermore, the very extensive social practical experience acquired by the working class and its revolutionary struggle for socialism and communism are the only reliable foundation for the further development and enrichment of Marxist-Leninist theory.

Thus, although in tsarist Russia access to education by the proletariat was virtually blocked, it would have been an error to consider the proletariat ignorant. The Russian workers were ceaselessly drawn to knowledge. It was no accident that their best members successfully studied Marx' "Das Kapital" and other works of the founders of scientific communism in their clandestine circles. Subsequently, in the period of the first Russian revolution, it was the collective mind of the working class that discovered and created the first soviets--the future form of the new governmental and truly people's system.

The beneficial influence of Marxism was manifested in the fact that the working class raised philosophers and organizers of the revolutionary movement. This galaxy of fighters includes Joseph Dietzgen, a tanner who discovered dialectical materialism by himself. Dietzgen's materialism and atheism initially developed under the influence of L. Feuerbach and, after 1867, under the influence of Marx and Engels. This outstanding German social democratic writer and philosopher, in Lenin's view, was the organizer of one of the sections of the First International. Another German worker, the turner August Bebel (1840-1913), was one of the founders and noted leaders of the German social democrats, an internationalist who daringly stood up in defense of the Paris Commune.

The Russian working class raised A. M. Gor'kiy, the great proletarian writer. Metallurgical workers I. V. Babushkin, M. I. Kalinin and G. I. Petrovskiy, dyer V. P. Nogin, and many others became major leaders of the revolutionary movement and Lenin's fellow workers.

The socialist revolution not only legitimately removes but actually destroys the obstacles which block the access to education and to the achievements of science and culture of the masses. The monopoly on mental work enjoyed by the overthrown exploiting classes is removed. Socialism eliminates social inequality in labor step by step, including one of its manifestations, the basic disparity between people engaged in physical and mental work.

The most important laws passed by the proletarian state laid a path to these social gains: Lenin's decrees on the elimination of illiteracy, the elimination of the class system of education and on the creation of a unified labor school, the nationalization of cultural and educational institutions, granting the working

people broad access to theaters, libraries and museums, and the radical reorganization of publishing. These decrees and subsequent party and government decisions served and continue to serve the cause of the steady improvement of the general educational and cultural standards of the people's masses on their way to the establishment of the communist ideal of labor as a prime vital need.

As early as the period of the armed uprising and struggle for the implementation of the initial decrees of the Soviet system, the Russian working class proved to be an intellectually powerful hegemon of the revolution and organizer of economic and sociocultural changes. In the October Revolution and the civil war it defended the treasures and centers of culture selflessly. Workers participated in the activities of cultural and educational institutions and became their commissars. In Moscow workers accounted for 80 percent of those recruited to promote the elimination of illiteracy. The political maturity, social activeness and cultural and technical standards of the working class rose year after year and its participation in the administration of production and social affairs became more substantial and visible. The age-old prejudice which Lenin described as stupid, wild, disgusting and base, that the state could be administered only by the so-called "upper classes," was totally disproved.

An increasing number of front-ranking workers deliberately aspired to combine physical efforts with creative thinking in their labor. A. M. Gor'kiy noted this fact perspicaciously in 1933. In his address to workers-inventors of the Red Banner Tula Arms Plant he wrote: "Your role, comrades, the role of revolutionaries in technology, proves that the worker is the main and most victorious productive force among the forces of nature and, without abandoning the machine tool or physical labor, is fully able to combine this labor with intellectual work." Let us recall also that the organizers of the most important socialist changes in the countryside after the revolution--mass collectivization and major changes in the organization of rural life and culture--were the twenty-five thousanders, people such as Sholokhov's Semen Davidov. The pioneers of the Stakhanovite movement in industry and transportation who, incidentally, were also the characters in many works by Soviet writers and publicists, frequently amazed not only their fellow workers but scientists and engineers with their creative inventions.

The social base for the conflict between mental and physical labor was eliminated after the foundations for socialism were laid; the gap, the basic disparity between the cultural and technical standard of workers engaged in physical labor and people professionally employed in mental work--the intellectuals--was closed. However, major disparities remained in society between mental and physical labor. They were related, first of all, to differences in the technical standards of the various production facilities and industrial sectors and within the national economy in general and the fact that a considerable percentage of unskilled and even heavy physical labor remains (particularly in construction, transportation, agriculture and public services).

Whereas the state of proletarian dictatorship put an end to the monopolizing of mental labor by the ruling classes, the state of the whole people is eliminating any and all social privileges of mental work.

We are aware of the great attention which the party has always paid to improving labor conditions and to labor mechanization and automation. These tasks become even more urgent and their implementation becomes the most important aspect of all CPSU economic and social policy today, at the stage of mature socialism. The scientific and technical revolution, which is developing in depth and in width, the powerful scientific potential created in the country and the irrefutable fact noted by the 26th party congress that our social production forces have not only increased but have reached a qualitatively new level are assisting their more active and effective implementation. The combination of the achievements of the scientific and technical revolution with the advantages of socialism is contributing to the progressive changes taking place in the content and nature of the work of the Soviet person. The creation of large and modern enterprises, the reconstruction and retooling of old production facilities and the application of progressive technologies and methods of labor organization, which not only upgrade labor productivity and effectiveness but contribute to the further assertion of the collectivistic and creative principles in the work of millions of people, confirm that a process of enriching the content of labor and of its intellectualization is underway in the entire social production system. Hundreds of new skills and professions and new types of labor activity are created. The result is not only a simple rapprochement but a combination, a merger between mental and physical actions and between creative and performing functions. The labor collectives are developing the type of moral climate in which relations of cooperation and comradely mutual aid among people engaged in mental and physical labor--workers, engineers and production leaders--are strengthening.

"...Physical and mental labor is becoming ever more closely interwoven in the production activities of millions of workers and kolkhoz members," Comrade L. I. Brezhnev said at the 26th congress. "Many of them are rationalizers and inventors, authors of articles and books, and governmental and social figures. They are highly cultured and intelligent people in the full meaning of the term."

Together with the ever more effective enhancement of the cultural and technical standard of the working class, the intellectualization of labor greatly enhances its leading role in all areas of the building of communism.

Let us try to single out the main ways used to insure the process of the further elimination of disparities between physical and mental work.

This includes a systematic improvement in the content of all kinds of work, increasing its intellectual content on the basis of new successes achieved in laying the material and technical foundations for communism and increasing the industrial, scientific and economic potential of the country.

It includes the steadfast raising of the general educational and vocational training of all members of the socialist society in such a way as to outstrip current national economic requirements.

Finally, it includes the involvement of all working people, in accordance with their knowledge and inclinations, in the management of industrial, social and

governmental affairs and the creation of better conditions for combining professional work with technical creativity in industrial and nonindustrial circumstances.

The steadily increasing complexity of the production process and its intensification entail favorable changes in the content of labor. In the final account, the depth and effectiveness of such changes are determined by the pace and the qualitative aspect of development of productive capital and of the overall social production forces, and the conditions and the progress of socialist production and of all other social relations. Such changes are not spontaneous, for the state undertakes the systematic technical retooling of national economic sectors and implements measures to enhance the cultural and technical standard of workers, kolkhoz members and employees.

As was pointed out at the 26th CPSU Congress, labor productivity in the national economy rose by almost one-half in the past decade alone. Modern sectors such as atomic machine building, space technology, electronic, microelectronic and microbiological industries, laser technology and the production of artificial diamonds and other new synthetic materials were developed further or were created on the basis of scientific achievements. The delegates to the congress pointed out that the creation and utilization of miniaturized electronic control machines and industrial robots offer truly revolutionary opportunities. "The conditions under which the national economy will be developing in the 1980s," Comrade L. I. Brezhnev emphasized, "make the acceleration of scientific and technical progress even more urgent."

It is a question of a quantitative and qualitative change in the decisive elements of the production forces, a conversion to a qualitatively new system of machines which insure a leap in the growth of labor productivity, and of a radical change in the content and nature of labor. All this demands of the worker not merely to broaden his professional and economic knowledge but to intensify it on a scientific basis.

"The closer we come to communism," Comrade L. I. Brezhnev pointed out, "the more organic will the link between physical and mental labor become. Already now the worker frequently controls the type of major and complex equipment systems with which not even every engineer could cope in the past."

This applies, for example, to the work of the tuner of automated assembly lines, the operator of a rolled products system or the operator of a coal extracting combine. According to the All-Union Central Scientific Research Labor Safety Institute of the AUCCTU, a tuner spends 58.4 to 61.8 percent of his working time in supervising the technical process; 22.9-26.1 percent in tuning, controlling and replacing tools; 0.9-1.3 percent in selective quality control; and 6.7-9.1 percent in repair operations. Here is another example: operators servicing continuous steel casting systems spend between 53 and 88 percent of their working time in performing essentially mental operations. Clearly, this demands of the worker excellent knowledge of the equipment and a polytechnical knowledge of the fundamentals of the production process, as well as the ability and skill to assess various situations quickly and to resolve complex problems.

Comprehensive mechanization, combined with the elements of automation, is giving an intellectual content to the work in agriculture as well to an ever rising extent. Thus, a machine milker spends 50.2 percent of his overall working time in actively watching and controlling the work of the system from the control panel.

Reality and practical experience prove that today a substantial percentage of industrial workers and a certain percentage of skilled agricultural mechanizers are combining in their working functions physical with mental work in which the latter predominates frequently. This means that the concept that workers and peasants are people performing primarily physical work is becoming gradually obsolete under contemporary conditions.

Another concept, to the effect that workers and peasants create only material values, while the intelligentsia specializes in the production of spiritual goods, which predominated until recently, is no longer consistent with the facts. As was pointed out at the 26th congress, on the one hand, the role of the technical intelligentsia in the material production process is growing. On the other, an increasing number of workers are being employed in sectors such as science, health care and culture. Workers and engineering and technical personnel are engaged in fruitful joint activities in collectives and groups of developers and testers of new equipment and technologies. All members of such collectives participate on an equal footing in the reaching of engineering solutions and in the performance of daily and sometimes repetitive and monotonous operations.

Physical work is being combined with increasing frequency with participation in the organization of the production process and the supervision and control of the latter in both town and country. The intellectual potential of the front-ranking contemporary worker and the rural mechanizer is based on his high general training and steadily increasing knowledge, technical erudition, extensive professionalism, ability to engage in creative labor and high general culture. By participating in the practical utilization of scientific recommendations and of the best production experience, the contemporary worker literally rises to the level of scientific knowledge.

Therefore, the most important social gain of the developed socialist society is the training of a worker with a high intellectual standard. In assessing this achievement, Comrade L. I. Brezhnev said: "A production worker of a new type is growing. He combines within himself physical with mental work ever more harmoniously. This is a person with a broad professional outlook and skill and profound knowledge of the polytechnical fundamentals of the contemporary production process, a person who can master the use of the latest machines and technological processes rapidly."

N. S. Aleksandrov, honored inventor of the RSFSR, cites living examples in his book as proof of these facts. In particular, he describes M. D. Morayev, a close friend of his. Morayev is an experienced fitter and instrument worker at the Moscow Plant for Electric Vacuum Instruments and knows his work to perfection. Jokingly, his friends call him "doctor of fitting sciences." In the course of manufacturing most complex one-of-a-kind instruments, occasionally he resolves technical problems which trigger sincere amazement and admiration. Moreyev is invariably guided by the work of Academician I. I. Artabolevskiy "Mashiny i

"Mekhanizmy" [Machines and Mechanisms]. It is worth noting that this talented worker has a critical approach to this work as well. During a personal talk with the academician, he advised the scientist to update some obsolete sections and to add new practically tried methods. This meeting was filmed and looking at it we realize that these people were talking a language they both understood fluently.

Many researchers have noted the appearance and subsequent considerable growth of the stratum of workers-intellectuals in the 1960s. This group includes highly skilled workers engaged in most complex types of labor saturated with intellectual elements, people who control complex equipment which require knowledge on the level of a technical school or even a VUZ, people who are implementing plans for the reconstruction of the production process and for the creative and knowledgeable updating of equipment.

This new working class stratum, which appeared under developed socialist conditions, consists mainly of young people. Thus, a survey at the Moscow Plant for Low-Powered Automotive Vehicles imeni Leninskiy Komsomol showed that more than 50 percent of the workers-intellectuals were people under 30 years of age; 34 percent of them were party members.

In the unanimous opinion of Soviet researchers workers-intellectuals are the prototype of the working class of the future.

The fast growth of the stratum of workers-intellectuals within the Soviet working class is interpreted differently by Western "Sovietologists." Some of them unconditionally classify this detachment as part of the technical intelligentsia. Others go farther, by rating this phenomenon as a feature of the general "breakdown" of the working class and the "loss" by it of its role in society. They classify a part of this stratum as a "new middle class," with its alleged social inertia and selfish material interests, while the stratum of unskilled workers becomes the lowest class of society. The idle thoughts of such "theoreticians" are easily refuted. The appearance of a marginal stratum between the working class and the intelligentsia is a characteristic of an ever increasing rapprochement between them, rather than of a class differentiation.

The use of comprehensive mechanization and the ever more advanced automation of the production process eliminate heavy physical labor and unskilled work and jobs. The share of auxiliary workers is reduced (haulers, loaders, assemblymen, packing workers, and so on). However, millions of people are still employed in manual underproductive jobs. Our policy in this direction is clear. It proceeds from the decisions of the 26th CPSU Congress. After stipulating that all economic sectors must be raised to the highest standards of science and technology and after emphasizing that social differences must be equalized from the territorial viewpoint, the congress clearly called for the solution of a most important social problem: the elimination of manual unskilled labor.

The process of elimination of differences between mental and physical labor is not manifested exclusively in the intellectualization of the latter. Mental work as well is experiencing ever more actively the elements of material, physical actions. This is confirmed not only by the increased physical load of engineers,

who are part of comprehensive brigades, but of groups of developers of new equipment or of enterprise groups for reconstruction of the production process. The examples of the increased complexity of the cosmonauts--specialists and scientists who engage in lengthy flights aboard the "Salyut-6" space stations--are both recent and convincing. The combination of mental work demanding the highest possible skills and physical work under conditions of weightlessness, which requires a great deal of thinking and inventiveness, is the prototype of the combination of mental with physical labor in the activities of the people of the future, in the way that the experiments they conduct in developing new alloys and growing crystals may be used as prototypes of a future technology. Characteristically, judging by their statements, the heroes of outer space experience tremendous satisfaction by performing such a variety of labor functions.

Naturally, even under the most favorable of circumstances the process of rapprochement between physical and mental labor should not be conceived as one which is gathering strength freely. For example, the assembly line organization of labor, which has become widespread, yields certain economic benefits. At the same time, however, it frequently preserves and even creates new types of monotonous operations and the breakdown of the technological process into minor operations which can be conducted automatically and do not require any creative thinking. The extensive use of robots which could reduce the monotonous work along a conveyor belt remains a task for the future. As of today, however, many enterprises are already using a variety of methods which reduce the adverse effect of the assembly line process, such as the combination of skills and periodical changes of the operations performed and of work places.

It is no easy matter to eliminate monotonous physical work. However, the elimination of routine work in mental labor is even more difficult to achieve. For example, it is virtually impossible to enrich data gathering and processing with creative elements. The solution of this problem is found mainly in the development of systems of electronic control and data machines.

Physical labor, which consists essentially of learned motions, contains a lesser number of creative elements compared with mental work. However, this should not be a reason for declaring unconditionally that physical labor is merely a duplicating, a noncreative process. Any kind of physical work could include elements of creativity. Every working person holds within himself reserves of planned rational actions and possibilities for the inexhaustible improvement of the production process and the kernels of large or small discoveries.

In bringing out the rich spiritual world of the contemporary worker and in comparing him with the creative intelligentsia, S. A. Antonov, a fitter-instrument maker at the Moscow Electrical Machines Plant imeni Vladimir Il'ich, states in his book that "any material on earth can be used for creative purposes. This may be the clay of the sculptor or the feelings and emotions with which the actor recreates one or another character on the stage... To me, a fitter, metal has become such a material.... Possibly, my creative work may not be so apparent as, for example, the art of a sculptor or an actor... The difference here lies merely in the fact that the sculptor and the actor create for the public; the creativity of the working person is hidden within the objects he makes and it is not so obvious..."

Marx, Engels and Lenin directly linked the overcoming of social inequality in work in the future communist society with the progress of education and the molding of comprehensively developed people, familiar with the entire production system.

One of the greatest achievements of mature socialism has been the fact that the most educated generation of the working class in the history of our country has now entered its labor career. It was pointed out at the 26th CPSU Congress that 10 years ago only a little more than one half of the workers had a secondary (8 or 10 year) or higher education, and that today three-quarters have such an education. This has become possible thanks to the conversion to universal compulsory secondary education, which was completed in the 1970s. Our present task is to improve the quality of all types of instruction, along with labor training and ideological and moral upbringing.

The development of the vocational-technical education system, which has experienced a tempestuous growth in recent decades, is a major prerequisite for raising the skills and broadening the general outlook and standards of the workers. The most promising secondary vocational schools are planning to increase the number of young graduates by a 1.6 factor in the 11th Five-Year Plan.

The improvements in the Soviet way of life and in social relations, and the party's purposeful activities in molding the new person are yielding tangible results. In his report to the 26th party congress Comrade L. I. Brezhnev drew the basic conclusion that, thanks to the changed circumstances, the Soviet person has changed as well: he has acquired greater knowledge and erudition, and his spiritual requirements have increased considerably.

It would be wrong to hinder or to restrict the educational level artificially on the basis of the remaining unskilled jobs which require no extensive knowledge. Most Soviet social scientists have reached the conclusion today that the training of well-educated and skilled workers must outstrip the immediate needs of industry for such cadres. We must have a certain "intellectual reserve" represented by workers who are ready to make possible the growing use of the instruments and technology of the future.

In this case we must also bear in mind that without the faster increase in general and vocational training the development of human capabilities and talents would be inconceivable.

Let us also note the following important sociomoral interdependence: the higher cultural and technical standard of the working class today greatly depends on the daily assistance of the technical intelligentsia. On the other hand, the process of intellectual contacts with workers with modern training and culture forces the specialists to pull themselves up and, whether by themselves or through courses and seminar studies, to master the new developments which are rapidly appearing in our time in science and technology, and the modern methods of organization of labor, production, planning and management.

The increasingly active and fruitful participation of the working class in the administration of production, social affairs and the state opens broad possibilities of a life saturated with interesting and responsible mental work. In pursuing

this kind of academic training and social experience the Soviet people become not only spiritually enriched but master management skills as well. This is manifested in the steady enrichment of their political, scientific and technical levels of knowledge and the skill they develop in assessing various situations and in making decisions on a broad range of problems.

All forms of organization and development impulses of the socialist production process presume the mandatory participation of workers and employees in its management. This offers opportunities for the full manifestation of economic interests, initiative and responsibility for the common cause. The contribution of the working people to the formulation and implementation of plans for economic and social development of enterprises and associations, based on considered suggestions and the consideration of public opinion, is becoming increasingly more substantial with every passing year.

The working people participate in the formulation and the making of administrative decisions and in their implementation through their membership in various voluntary organizations, standing production conferences (PDPS), workers meetings, and people's control committees and groups.

The dialectical unity between knowledge acquired in the past and the present is manifested in the involvement of the broadest possible masses in production management. Practical experience confirms that workers who have become actively involved in their collective's management activities substantially improve their labor indicators, raise the quality of their work even higher and set the example to others in the areas of discipline and organization and the thrifty and economical use of material values.

The entire course of the building of socialism and communism in our country clearly indicates the way the Soviet person is gradually rising from common and ordinary affairs and immediate objectives to the level of awareness of his duty to society and the people, and how he learns to think broadly, like a statesman. The range of his interests is expanding and so are the extent and nature of the responsibility he feels for everything which is occurring in the country and for its future development. We see in the mature socialist society the triumph not only of the principles but of the rich practice of socialist democracy.

Our society has come considerably closer to the goal set by Lenin, who wrote that "Under socialism...for the first time in the history of civilized society the mass of the population will rise to the level of independent participation not only in voting and elections but in daily management" ("Poln. Sobr. Soch.", Vol 33, p 116).

At the congress Comrade L. I. Brezhnev stated with profound satisfaction that today a growing number of workers are becoming members of party, trade union and Komsomol committees and of higher and local state power organs. Characteristically, the congress delegates included 1,370 workers in socialist industry, more than in previous communist forums.

Members of the working class accounted for almost one-third of the deputies who were elected to the USSR Supreme Soviet in 1970. Workers account for 38.4 percent

and kolkhoz members for 16.3 percent of all deputies who were elected as members of the USSR Supreme Soviet in March 1979. The share of workers in local soviets of people's deputies has also increased tangibly. They accounted for 18.8 percent of the total in 1959, 28.8 percent in 1965 and 36.5 percent in 1971. The share of workers elected as deputies of local soviets has reached 43.3 percent and workers elected to city soviets accounted for 62 percent in 1980.

The discussion of the CC CPSU draft guidelines "Basic Directions in the Economic and Social Development of the USSR in 1981-1985 and the Period Through 1990" indicated the very high level of activity, maturity and communist awareness of the working class and of all Soviet people. As we know, more than 121 million people participated in the discussions.

In his time, F. Engels expressed a profound thought on the inviolable principle which will govern a future society: everyone will have to participate in productive toil and make comprehensive use of his capabilities, both physical and spiritual. In "Anti-Duhring" he wrote that the old production method "will be replaced by the type of organization of the production process in which, on the one hand, no one will be able to shift to others his share of participation in productive work, which is a necessary condition for human existence, and which, on the other, instead of being a means for the enslavement of the people, will turn productive labor into an instrument for their liberation and will give everyone the opportunity to develop in all directions and effectively to show all his physical and spiritual abilities and, consequently, in which productive labor will become a pleasure rather than a heavy burden" (K. Marx and F. Engels, "Soch.," Vol 20, p 305).

The process of reaching total social homogeneity of labor has two aspects: sociostructural, which calls for the elimination of the division between workers engaged in physical and mental labor, and sociobiological, which will establish a harmonious unity between the intellectual and physical principles of all realms and types of labor without exception. These two aspects and their respective historical purposes will be different in terms of complexity and duration. The second may take place after the full triumph of the communist ideals of well-being and harmonious human development has been reached. The elimination of social disparities in labor and the creation of actual conditions for the free transition of people from one activity to another may be achieved earlier, under the conditions of developed socialism within the historical framework of which, as was noted at the 26th congress, obviously, the establishment of a classless social structure will be accomplished in the main. "The contemporary working class," Comrade L. I. Brezhnev emphasized, "is the leading power in this process, its 'social mind and social heart,' as Marx said. Its revolutionary ideology and morality, collectivistic mentality, and interests and ideals are now becoming extended to all Soviet social strata."

It will be possible to eliminate essentially heavy and unskilled physical labor through the utilization of new equipment and robots which will perform assembling, loading and unloading and other operations in the foreseeable future. Production automation, combined with the extensive use of computer banks, will eliminate unskilled mental work in the not so distant future. It will relieve the workers of monotonous and routine data gathering and processing operations.

A great deal is already being done in this respect today and even more will be accomplished in the 11th and 12th Five-Year Plans. This is a major field of activity for party, trade union and other public organizations, managers, specialists, frontrankers and production rationalizers. Progressive forms of organization of production, labor and management must be applied more boldly and substantively. Conditions must be provided which will enable the people to master related skills, acquire extensive specialization and assist in enriching the content and intellectualization of labor. It would be expedient to continue research with the participation of skilled specialists and, in particular, to study the influence which the use of new types of equipment and organizational and other innovations has on changing the nature of labor and the efficient and creative feelings of the people. Comprehensive and intensive practical work must be done on the basis of scientifically substantiated prospects and of the depth and significance of the party's socioeconomic policy and the historical decisions of its 26th congress.

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**LABOR**

**EMPHASIS ON PUBLIC SERVICES, CONSUMER GOODS BEING RAISED**

Moscow SOTSIALISTICHESKIY TRUD in Russian No 5, May 81 pp 7-15

[Article by V. Kryazhev: "Socioeconomic Development and National Welfare"]

[Text] Continual growth of the people's standard of living is the principal direction of the country's economic development in 1981-1985 and in the period to 1990. "The party proposes a broad program of further improvement of national welfare in the 11th Five-Year Plan and in the 1980's in general," noted CPSU Central Committee General Secretary, Comrade L. I. Brezhnev in the Accountability Report of the Party Central Committee to the 26th CPSU Congress. "This program involves improvement of all aspects of the life of Soviet people--consumption and housing, culture and rest, and working and personal conditions."

Further progressive development of the economy and improvement of the structure of social production will be insured in the 1980's. In 1981-1985, the fraction of the national income used for consumption and accumulation is to be increased by 18-20 percent; agricultural production (mean annual production) is to be raised by 12-14 percent; the productivity of social labor is to be increased by 17-20 percent, and not less than 85-90 percent of the growth in national income is to be achieved with the help of higher labor productivity.

As was noted at the 26th CPSU Congress, the proportion of the consumption fund within the national income is to be raised in 1985 to 77.3 percent; compare this with 75.3 percent in 1980. More than 16 billion rubles are to be allocated in the 11th Five-Year Plan to centralize measures aimed at raising wages and other payments and privileges for the population.

CPSU Central Committee General Secretary, Comrade L. I. Brezhnev's Accountability Report to the 26th CPSU Congress states that an important measure--raising the minimum wage to 80 rubles per month, and the pay rates and salaries of white and blue collar workers--is to be implemented. Greater dependence of wages on the end results of the collective's work and of the work of each laborer is to be insured in this case. Gradual growth in minimum wages, pay rates, and salaries enjoyed by blue and white collar workers is to correspondingly occur in conjunction with creation of the appropriate conditions and accumulation of resources.

In our evaluation of the entire system of measures aimed at raising the welfare of the laborers in the 11th Five-Year Plan, it would be important to consider the results achieved in the previous period and, in particular, the absolute and relative

indicators of the population's real income. Real per-capita income, which is the most general indicator of the growth of the people's standard of living, grew by 1.46 times in 1980 as compared to 1970. The income of poorer families increased by a higher rate. While in 1965 only 4 percent of the population had an income over 100 rubles per month per family member, almost half of the population received such an income at the end of the 10th Five-Year Plan.

At the same time the problem of raising the standard of living of poorer families has not been solved completely. What we need to do in particular is to plan the necessary minimum income level and develop and implement a complex of measures to gradually raise the income of this category of the population. An analysis of the causes of low financial security would make the need for implementing the following measures obvious: raising minimum wages, pensions, and assistance provided during temporary incapacitation, improving child support in poorer families, expanding the network of preschool institutions, extended-day schools and groups, and school boarding houses. It would also be highly important to establish a purposeful policy of taxes, retail prices, and rates for services, to increase production and sale of inexpensive goods demanded by people with a relatively low income, and to improve their quality and assortment.

As the real income of the entire population grows, the differences in the material security of kolkhoz farmers, laborers, and white collar workers gradually decrease, which is one of the important prerequisites of gradual convergence of the standard of living of the urban and rural population. The real per-capita income in kolkhoz families is now almost 90 percent of the income of blue and white collar workers, while that of sovkhoz laborers is even higher. But at the same time, significant differences still exist in the structure of the income. In 1979 about 27 percent of the aggregate income of kolkhoz families was from private farms, while only 0.8 percent of the income of industrial workers comes from such farms. As a result the average per-capita income enjoyed by kolkhoz farmers from publicly owned farms is about 60 percent of the income of blue and white collar workers. Moreover there is a larger proportion of poorer families among kolkhoz farmers. Calculations show that the differences in incomes enjoyed by kolkhoz farmers are somewhat greater than those of white and blue collar workers. All of this makes it necessary to plan the highest income growth rate for kolkhoz farmers in the 11th Five-Year Plan. Thus while in 1981-1985 real per-capita income is to be raised by 16-18 percent, the income of kolkhoz farmers from public farming must be raised by 20-22 percent. When we take income from private farms into account, the income of kolkhoz farmers will be on par with the income of blue and white collar workers.

The existing forms of redistribution of income among population groups have a certain influence on formation of the income of individual families. These forms include the purchase and sale of foodstuffs from private farms in the kolkhoz market, material mutual relationships between relatives, receipt and payment of alimony, payment for various sorts of services to private parties and receipt of payment for services rendered, payment for private housing and receipt of rental income from housing. In a number of cases such relationships of redistribution cause significant adjustments in income from the public sector of the economy. It would be important to clarify between what such population groups redistribution occurs, and whose income decreases or increases; it would also be important to take steps to regulate such redistribution.

In addition I would like to turn attention to yet another problem of rising importance--the fight against unearned income. This includes improper computation of wages, a proportion of which are not earned, wage additions in lieu of bonuses, speculation with scarce goods, bribes, various sorts of "tips" and "gifts", and so on.

Party and state policy concerning the efforts to raise the population's standard of living is based on the notion that wages are the principal source of real income. During the Ninth and 10th five-year plans the average monthly monetary wages of blue and white collar workers in the national economy increased by almost 1.4 times, exceeding 160 rubles in 1980. In 1971-1975, in accordance with decisions of the 24th CPSU Congress, pay rates and wages were increased for more than 75 million laborers. The pay rates and salaries of workers in productive sectors were increased throughout the country. In accordance with decisions of the 25th CPSU Congress, implementation of a major social measure was completed in 1976-1980--raising the pay rates and salaries of workers in the nonproductive sectors, as a result of which wages increased for 31 million blue and white collar workers. Moreover wages were increased for certain categories of workers in ferrous and nonferrous metallurgy, coal, shale, and textile industry, construction, agriculture, and rail transport.

The wages of kolkhoz farmers increased by 1.6 times in 1980 in comparison with 1970, reaching 116 rubles in 1980. In 1980, they represented about 70 percent of the average monthly wages of blue and white collar workers; compare this with 61 percent in 1970. At the same time the difference in the wages of blue and white collar workers and kolkhoz farmers continues to be significant. This can be explained mainly by the low labor productivity at kolkhozes in comparison with that of state agricultural and industrial enterprises, due to the low equipment availability in agricultural production and the lack of skilled workers, as well as because employment of kolkhoz farmers in the public economy is lower than the employment level of sovkhoz workers.

If we are to raise the wages of kolkhoz farmers, we also need to make an effort to improve the use of manpower in the countryside, and to surmount the seasonality of agricultural labor. For this purpose we would need to also expand the network of subsidiary enterprises processing agricultural products and producing construction materials, packaging, and consumer goods, and of seasonally operating branches of the appropriate industrial enterprises. I am referring here not to primitive businesses but to organizing a technically modern rural industry. Also of no small importance is further reinforcement of discipline and improvement of the organization and conditions of labor in the kolkhozes, as well as future introduction of a guaranteed minimum wage level for all kolkhoz farmers, on par with that set for blue and white collar workers.

The "Basic Directions of the USSR's Economic and Social Development in 1981-1985 and in the Period to 1990" call for a 13-16 percent increase in the average monthly wages of blue and white collar workers in the next five-year plan, raising them to 190-195 rubles per month. The income enjoyed by kolkhozes from the public economy is to achieve about 140 rubles.

Efforts to improve the wages of blue and white collar workers will focus on raising the dependence of their wages on the end results of the work of the collective and

every laborer, raising their stimulatory role, improving the rate system and labor standardization, and insuring a closer relationship between bonuses and the work contribution. As the proper conditions are created and the resources are accumulated, minimum wages, pay rates, and salaries of blue and white collar workers will continue to grow, mainly in the productive sectors of the national economy. Improvements in the wages of different categories of laborers will be made with regard to the complexity and importance of the jobs performed, and the conditions and intensity of the work; an effort will also be made to reduce manual and heavy physical labor, to raise the qualifications of workers, to combine occupations, and to achieve high end results. There are plans for continuing the increases in extra pay for night work in certain sectors, and to improve regional regulation of wages. Regional wage coefficients will be introduced for blue and white collar workers wherever they have not yet been established in the Urals, in the northern rayons of Vologodskaya and Kirovskaya oblasts, and in some rayons of Kazakhstan. Longevity pay is being established for blue and white collar workers in southern rayons of the Far East and East Siberia.

Public consumption funds play an important role in raising the welfare of the laborers. They are intended to satisfy a large number of the social needs of all members of society and to maintain persons unable to work. In 1980 their dimensions were 43 rubles per capita, as opposed to 354 rubles in 1979--that is, they increased by almost 24 percent, and their total for the 10th Five-Year Plan was 527 billion rubles, as opposed to 392.7 billion rubles in the Ninth Five-Year Plan (34.2 percent). The absolute increment in public consumption funds during the last three five-year plans exceeds the growth they enjoyed throughout the entire previous period of our economy's development by 1.7 times. The proportion of public funds in the total volume of public consumption of material goods and services in 1979 was more than 30 percent, while in 1960 it was 24 percent.

At the same time, the attained level of material support to individual population groups by public consumption funds is still inadequate. In my opinion we need to improve the rules for granting a number of subsidies, inasmuch as some of them are presently being established on the basis of wages, and not the level of material security. Because of growth in wages, a number of these subsidies have been eliminated or are not applied as a result. The population's demand for some forms of social services that are maintained fully or partially by public consumption funds is still far from fully satisfied. I am referring to preschool institutions, sanitoriums, vacation homes, and so on. We also need to improve the quality of the work of these institutions. Many standards on low-rate and free services are now obsolete and fail to satisfy modern requirements.

We need to determine the most effective ways to use public funds to solve problems associated with the social issues of labor and personal life, with attainment of a sensible consumption level and elimination of poverty, with improvement of social welfare and the use of nonworking and free time, and with convergence of the standards of living of the urban and rural population, laborers and kolkhoz farmers, and residents of different regions in the country.

Public consumption funds will increase by 20 percent in the 11th Five-Year Plan to 138 billion rubles, which will be about an average of 2,000 rubles per family of four. The role of these funds in solving production and social-demographic problems

will increase. A sizeable share of the quickly growing public consumption funds are being earmarked for the needs of social welfare and social security. In 1979 we spent 42.3 billion rubles for these purposes--that is, 38.4 percent of the total public consumption funds; compare this with 22.8 billion rubles (35.7 percent) in 1970. The problem of providing pension support to all unemployable persons with the necessary longevity has been practically solved.

Pensions were established in the 10th Five-Year Plan for former kolkhoz members who had not maintained the same job throughout; the minimum dimensions of pensions paid to kolkhoz farmers were increased, as were the maximum dimensions of old-age pensions paid to individual categories of blue and white collar workers; aid to persons disabled since childhood was increased (it is now paid irrespective of the person's age); the material-personal conditions of Great Patriotic War veterans were improved significantly, and so on. One problem that is important from not only an economic but also a social point of view is that of encouraging pensioners still able to work to participate in social production. Today almost 25 percent of persons retired due to age are now working in the national economy; many of them are receiving their full pension. Higher pension rates for working after attainment of retirement age were introduced as of 1 January 1980 for a significant proportion of retired individuals. A decision was made to increase, from 10 to 20 percent in the current five-year plan, the allowances added to the old-age pensions of blue and white collar workers who had worked in the same enterprise, institution, or organization continuously for not less than 25 years, and of women with children who had done so for not less than 20 years.

There are plans for implementing some new extensive measures to improve the welfare of unemployable individuals in the 11th Five-Year Plan. There are plans to gradually make the previously awarded pensions equal to the pensions presently being awarded to workers with similar qualifications. Minimum pensions paid due to old age, disability, or the loss of the breadwinner will rise. Plans have been made to equalize the social support provided to kolkhoz farmers and workers at state enterprises, and to improve the living conditions of Great Patriotic War veterans.

The party and state are devoting a great deal of attention to improving the working conditions and life of working women, and expanding assistance given to families in bringing up and maintaining children. Today the state spends three times more for these purposes than in the early 1960's. More than 14 million children attended permanent preschool institutions in 1980, which is almost 5 million more than in 1970. Only one-fifth of the total outlays to maintain children in these institutions are compensated by parents, while four-fifths (about 450 rubles a year per child in children's nurseries and about 400 rubles in nursery schools) are covered by public consumption funds.

Extended-day schools and groups were attended at the beginning of the 1979-1980 school year by 10.7 million students or about a third of the students in grades 1-8. More than 25 million children and adolescents vacationed in Pioneer and school camps and at tourist bases in summer 1980 or traveled to suburban children's institutions during the summer period. Children have thousands of Pioneer and student palaces and homes, junior technician and junior naturalist stations, music, art, choreographic, and sports schools, independent children's libraries, and other facilities at their disposal.

Privileges and advantages to working mothers will be expanded in the 11th Five-Year Plan. Thus beginning in 1981 we intend to award partially paid leaves to working women in certain regions of the country to care for a child until the age of 1 year. Women with small children will be offered a possibility to work an incomplete work day or an incomplete work week, as well as at home, and so on.

Personal services helping to ease and reduce the work of women at home and to increase their free time will enjoy increasingly broader development. The volume of personal services provided to the public grew by 2.3 times in 1980 in comparison with 1970; this includes a three-time increase in rural areas. In 1980, each family received services with an average value of about 100 rubles. Personal services to people residing in the nonchernozem zone, Siberia, and the Far East, to builders of the Baykal-Amur Rail Mainline, and laborers of other important construction projects are developing at a preferential rate. Services are becoming increasingly more diverse, and progressive forms of services are being introduced more and more broadly: placement of orders at home and by telephone, home deliveries, repair of household appliances by repairmen at home, performance of services by personal services enterprises on a while-you-wait basis, rental of cultural, personal, and household articles, organization of services at the place of work, and so on. Large personal services companies and special "good services" offices have enjoyed further development. The initiative of the Leningrad Production Association for Television and Radio Repair has gained broad acceptance in the personal services; its method promotes concurrent completion of plans ahead of schedule and improvement of the indicators of production effectiveness and service quality. This initiative was supported in the Bashkir and Mordvinian ACSR, by Zaporozhskaya Oblast, and by other regions, thus promoting an increase in the effectiveness of laborers participating in the competition. More than 2,000 of the country's personal services enterprises have introduced an integrated quality control system.

The network of public food services enterprises is presently growing at a rapid pace. In 1971-1979 their turnover increased by more than 1.5 times. In 1979, 105 million persons used the services of dining halls, cafeterias, and other enterprises in the sector.

At the same time, a number of union republics and oblasts are not making full use of the possibilities for broadening the sphere of public services to the population. The population's demand for repair and tailoring of sewn and knitted articles, dry cleaning and dyeing, and home repairs was not adequately satisfied. Nor does the rate of development of progressive forms of services satisfy the growing demand of the laborers. As a result the time spent by the population in household management is still extremely high--125 billion man-hours, which is equivalent to the work done by 60 million industrial workers in 1 year.

Growth in wages and other financial income of the population is proceeding in a time of stable state retail prices on the principal dietary and nondietary goods, apartment rents, and rates for municipal services, despite the fact that the expenses of the state to produce and sell a number of the most important goods (for example meat and meat products, potatoes, vegetables) and to maintain the housing pool significantly exceed the retail prices and the housing and municipal rates, and the difference must be covered by subsidies from the state budget. The policy of consistently keeping state retail prices on the principal dietary and nondietary goods stable will be maintained throughout the 11th Five-Year Plan as well.

At the same time, retail prices on certain goods and rates on some services did not remain completely constant. Some declined while others increased.

The "Basic Directions of Economic and Social Development of the USSR in 1981-1985 and in the Period to 1990", adopted by the 26th CPSU Congress, turn special attention to intensifying state and public control and raising the responsibility of association, enterprise, organization, and institution executives for maintenance of price discipline. In my opinion we also need to achieve some regulation of prices at kolkhoz markets by setting limits on prices in application to the individual locales. Prices on some foodstuffs at kolkhoz markets have risen in recent years, which has an effect on the real income of persons living in those rayons and cities in which the proportion of purchases at the kolkhoz market is high.

Implementation of a more-flexible policy in retail prices and rates for services in the future will require improvement of methods for computing price indices. In my opinion the existing method has some shortcomings. First of all it does not take adequate account of change in prices on new and imported goods. The assortment of goods is known to undergo significant renovation each year; this is especially true of nondietary goods. Second, fuller account should be taken of the growing sales of products at higher commission prices, and of change in locally set prices; the calculation of rates for paid services, of summary indices for retail prices in state and kolkhoz trade, and of retail prices and rates for paid services must be organized. In view of the existing differences in the level and structure of consumption, it would be suitable for organs of the USSR State Statistical Administration to organize development of budget price indices for the families of laborers, white collar workers, and kolkhoz farmers with different levels of per-capita income.

As the population's income rises, profound structural changes occur in the demand and consumption of foodstuffs. Thus from 1970 to 1979 per-capita consumption of meat and meat products increased from 48 to 58 kg; consumption of fish and fish products increased from 15.4 to 16.4 kg; consumption of milk and dairy products increased from 307 to 319 kg; sugar consumption increased from 38.8 to 42.8 kg; egg consumption rose from 159 to 233 units; consumption of vegetables and melon crops increased from 82 to 95 kg; and fruit and dairy consumption rose from 35 to 38 kg. But the public's payable demand for certain foodstuffs is not being satisfied fully. Problems in the supply of meat and meat products, dairy products, vegetables, and fruits to the public exist. In this connection the party has posed the task of developing and implementing a food program foreseeing proportionate and balanced development of sectors in the agroindustrial complex, significant reinforcement of its material-technical base, improvement of economic relationships between sectors, organization of clear interaction in their effort to raise production of agricultural products, improvement of the preservation, transportation, and processing of such products, and their timely delivery to consumers.

Implementation of measures adopted by the 26th CPSU Congress to increase agricultural production and to raise production in food industry should play an important role in the food program.

Growth in the volume and proportion of nondietary goods and services is a unique feature of changes occurring in public consumption. Between 1970 and 1979 the proportion of nondietary goods within the total turnover of state and cooperative trade climbed from 44.5 to 48.4 percent. Nevertheless while turnover is increasing,

the increasing consumer demand for a number of nondietary goods is still not being fully satisfied. In particular this pertains to cotton fabrics and articles made from them, fur articles, fashion clothing and footwear, furniture, passenger cars, and some other goods. The quality of a number of goods is not in keeping with the present demands of the Soviet people. Many enterprises continue to produce outdated fabric styles, and sewn and knitted articles and footwear not in keeping with modern fashion. Interruptions in the supply of certain goods have been observed at the fault of ministries producing consumer goods and the trading organizations. There have been cases of artificially created shortages, and marketing of scarce goods not over the counter but "on the sly".

In addition to the food problem, development of the production of nondietary goods has now been raised to the level of the priority specific-purpose socioeconomic programs. The following data provide an impression of how this program will be implemented in the new five-year plan. While in the 10th Five-Year Plan the rate of growth of consumer goods production was below the growth rate for production of the resources of production, in the 11th Five-Year Plan the growth rate in sectors of industrial group "B" (27-29 percent) will be higher than in group "A" sectors (26-28 percent). The assortment of goods will be expanded and renewed; their quality will rise, and the production and sale of new, fashionable, and some inexpensive, good quality consumer goods will increase. Special attention will be turned to expanding production and improving the quality of children's goods.

Improvement of housing conditions for all Soviet people has an important place in raising the public's standard of living. In 15 years (1966-1980) about 1.6 billion square meters of total housing space were built in the USSR with the support of all financial sources, and more than 161 million persons, or about three-fifths of the country's population, moved to new homes and improved their housing conditions. Housing construction in the USSR is proceeding at a rate significantly exceeding the population growth rate. Today about 80 percent of the urban population lives in individual apartments. Each urban resident possesses 13 square meters of total housing space.

The overwhelming majority of residential buildings are being built at state expense. Thus 87.2 billion rubles were spent for this purpose in the 10th Five-Year Plan. Together with municipal services, apartment rent makes up an average of about 3 percent of the budgets of the families of blue and white collar workers. It compensates for only 30 percent of all outlays on current housing maintenance. The rest of the expenses, totaling about 6 billion rubles per year, are covered by public consumption funds.

A high rate of housing construction is to persist in the 11th Five-Year Plan. Residential buildings with a total area of 530-540 million square meters are to be built in 5 years. The comfortableness of apartments and the level of amenities provided to them will be increased. The number of telephones installed for public use will increase by 1.4 times. Construction of housing will be associated more closely with the important problems of the national economy's development. Housing is to be constructed on priority in newly inhabited lands and in the countryside. Attention to the problems of integrated urban and rural construction will be increased. The role of housing construction cooperatives in further improvement of the population's housing conditions will rise. The possibilities for individual construction of

buildings will broaden. Assistance will be provided to laborers in cooperative and individual housing construction from the incentive funds of the associations and enterprises.

Further improvement of the population's housing and municipal conditions will require fuller consideration of the composition of families requiring housing improvement. We presently feel a special shortage of one-room apartments, needed by bachelors, newlyweds, and elderly spouses separated from their grown children. To a significant extent the assortment of apartment types in the housing pool is not controlled. For practical purposes the structure of apartment construction is not planned. Considering this, I believe that an additional indicator should be introduced into housing construction planning--the number of apartments with a certain quantity of rooms and with certain dimensions. It would be suitable to introduce this indicator into the statistic reports as well. The present practices used to allocate housing space require further improvement as well. When housing space is assigned, fuller consideration should be given to the concrete situation in the family and to the existing norms.

The individual is the most precious entity in socialist society. Concern for the health of Soviet people is an object of special attention on the part of our party and state. In 1980 the state spent more than 17 billion rubles on public health--almost two and a half times more than in 1965. The Soviet public health system is superior to the services provided in developed capitalist countries in relation to most characteristics. Thus in our country there are 37 physicians for every 10,000 persons, while for other countries the figures are 22.5 physicians in the USA, 20 in Italy, 15 in France, and 16 physicians in Japan. There are now a million physicians working in USSR, which is more than a third of their total number in the whole world. The number of hospital beds in our country increased from 118 per 10,000 residents in 1975 to 125 in 1980. Sanatorium therapy and organized vacations are continually expanding in our country. In 1980, 55 million persons received treatment and rest in sanatoriums, vacation homes, and tourist bases. In this case 20 percent of the passes for all forms of sanatorium and health resort treatment were free, 60 percent required the individual to pay only 30 percent of the cost, and only one-fifth of the passes were fully paid by the individual. Much attention is devoted to preventive therapy of laborers at plant clinics.

Improvement of working conditions and labor protection, and restoration of the environment have tremendous significance to the health of people. Between 1970 and 1980 the outlays on these measures more than doubled. The frequency of job-related injuries in material production decreased during this period by more than 30 percent. Outlays on measures to protect the environment, to achieve sensible use of natural resources, and to reproduce these resources were increased by 1.5 times during the 10th Five-Year Plan.

Growth in the people's standard of living, development of public health, and nature conservation measures have had a favorable influence, raising the average life span of the USSR's population. It is now over 70 years, as opposed to 47 years in 1940 and 32 years in prerevolutionary Russia.

The network of public health, vacation, tourism, physical education, and sports institutions is to be expanded further, and the organization of their work is to be improved in the 11th Five-Year Plan. The total number of hospital beds will increase

by 8-10 percent. The fraction of the population receiving dispensary treatment, especially children, will grow. The possibilities for parents to receive therapy and rest together with their children will broaden. Production will increase significantly in medical industry.

The significance of satisfying the people's spiritual demands, and of growth of the laborers' educational, cultural, and technical level will increase in our society's social program. High professional training and high overall culture are now mandatory prerequisites for successful work by ever-broader strata of the workers.

The country is experiencing continual growth in the educational level of the laborers. In 1979 80.5 percent of the workers in the national economy had a higher and secondary (complete and incomplete) education, as opposed to 65.3 percent in 1970. The transition to universal secondary education of the young has been completed. About 40 million persons are now studying in day schools of general education.

Each year our country spends 32 billion rubles to raise and educate the growing generation. The state's annual expenses are over 180 rubles per student in schools of general education, more than 680 rubles in secondary special educational institutions, and more than 1,000 rubles in institutions of higher education. The transition to free textbooks in schools of general education is gradually being made. Modern secondary schools are outfitted with the latest equipment and visual training aids. They possess technical training resources. For practical purposes the inequality in the education afforded to men and women has been fully eliminated. Skilled workers are being trained on a broad scale in the vocational-technical education system. A new form of training institution--the secondary vocational-technical school--has won popularity.

In addition to the successes in education and personnel training, there are unsolved problems as well. The most important ones are: improving training and indoctrination, insuring an optimum relationship in the preparation of workers with different qualifications, raising the proportion of skilled personnel who had undergone training in the system of secondary vocational-technical schools providing a secondary education concurrently with a vocational education, and expanding the network of technical schools, such that in the next few years the bulk of the young people graduating from secondary schools of general education and being sent to work in material production would also learn a particular occupation. There is a certain inconsistency between growth in the cultural, educational, and work skill level of laborers and the working conditions in a number of production areas. Young people are leaning more and more toward creative labor. Meanwhile, however, the national economy still has workplaces in which manual, unskilled, heavy, and harmful labor goes on; the prestige of such jobs is falling, despite higher wages intended as compensation. Thus it is becoming important to eliminate labor in unfavorable conditions, and to develop the creative nature of labor.

The requirements on measures to raise the standard of living of the people are growing in light of the decisions of the 26th CPSU Congress concerning growth in the effectiveness of work in all units of the economy. We need to develop the criteria by which to judge the effectiveness of these measures, and concrete indicators; we need to substantiate a system of information models, and we need to develop and test out individual models for wages and public consumption funds.

In addition to raising the effectiveness of assets allocated to new measures aimed at raising the standard of living, we need to improve the present mechanism for distributing material blessings and services. The enormous importance of this task stems from the fact that, as computations show, about 90 percent of the real income of the population forms under the influence of former conditions for providing material blessings and services, and only 10 percent of this income is formed under the influence of the new measures.

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## DEMOCRAPHY

### NATIONALITY PROBLEMS STRESSED AT SCIENTIFIC SESSION ON ETHNOGRAPHY

#### Aliyev Greetings

Baku BAKINSKIY RABOCHIY in Russian 30 May 81 p 1

#### Article: "Reception at the Communist Party of Azerbaijan CC" /

*[Text]* On 29 May G. A. Aliyev, candidate member of the CPSU CC Politburo and first secretary of the Communist Party of Azerbaijan CC, received a group of participants in the All-Union scientific session entitled "The 26th CPSU Congress and the Tasks of Studying Nationality Relations in the USSR."

The chairman of the Scientific Council on Nationality Problems within the Presidium of the USSR Academy of Sciences, the director of the Institute of Ethnography of the USSR Academy of Sciences, Academician Yu. V. Bromley, and professor of the Institute of History of the Latvian SSR Academy of Sciences, corresponding member of the Latvian Academy of Sciences, I. K. Apine, expressed the heartfelt thanks to the Communist Party of Azerbaijan CC and to the public opinion of the republic for paying attention to the work of the session, and this constituted an important factor in its success. They noted the large amount of work which had been done with regard to preparing and conducting the meeting of sociologists by the Communist Party of Azerbaijan CC and the Council of Sociological Research under the CC.

Academician Yu. V. Bromley stated that at the center of attention of our discussion (in speaking about the results of the session) were various aspects of the study of national relations within the country, as well as the mechanism of their actions in a developed socialist society. It is noteworthy that assembled in Baku were representatives of various disciplines, engaged in studying national and international processes.

After talking about the wide circle of studies being conducted by Soviet sociologists and ethnographers, Comrade Bromley emphasized that the Baku session, where the working experience of the scientists was summarized and its prospects outlined in the light of the decisions of the 26th CPSU Congress, constitutes an important stage on the path of the further development of sociology and ethno-sociology in the USSR.

Professor I. K. Apine stated that the great distance which separates Soviet Azerbaijan from Soviet Latvia cannot be an obstacle to our friendship. Our peoples have long and firm ties. And I have become firmly convinced of this again after becoming acquainted with splendid Baku, with the lives and successes of its workers.

The unbreakable friendship and brotherhood of the Soviet peoples is the firm foundation for all the Party political and propaganda work with regard to the international education of the working people.

After expressing satisfaction with the conduct of the All-Union Scientific Session in Baku, Comrade G. A. Aliyev noted the exceptional importance of the problems discussed thereat for further strengthening the friendship and brotherhood of the Soviet peoples.

In our country, he said, for the first time in the history of mankind almost 60 years ago a union of Soviet republics with equal rights was created, and now a new historical community has been formed--the Soviet people. This became possible thanks to the Leninist nationality policy, which is being unwaveringly implemented by the Communist Party. With all their souls Soviet people accept and support this policy of the CPSU; its trust and wisdom are testified to by the unprecedented accomplishments which have been achieved by the Land of the Soviets, by all nations and nationalities united together in the USSR.

In his report at the 26th CPSU Congress Comrade L. I. Brezhnev devoted particular attention to the problems of international relations and the international education of working people. These indications by Leonid Il'ich constitute extremely important positions for all our practical work and further sociological research.

Comrade Aliyev noted the great importance of the activity of Soviet sociologists both for the scientific study of national relations within the USSR as well as for determining the strategy and tactics in this important sector for the future, taking into consideration the development of a mature socialist society and the further forward movement of the Soviet people toward communism.

You are studying important problems and accomplishing great deeds, he said, addressing the scientists. For the experience of international relations, friendship, and brotherhood among the Soviet peoples represents a permanent value not only for our country but also for all peoples inhabiting the globe.

In speaking about the remarkable internationalist traditions of which the working people of Azerbaijan are rightfully proud, Comrade Aliyev emphasized that they were founded on the joint struggle of the representatives of various peoples against the tsarist autocracy, for liberty and socialism, and they comprise a bright page in the history of the republic and its Party organization. During the years of the Soviet regime these traditions have been enriched, and today the working people of Azerbaijan live and work within an integrated and friendly multi-national family.

G. A. Aliyev expressed confidence that the results of the All-Union Scientific Session will bring about great practical benefits in ideological work, in the further deepening of sociological research, and summarizing the experience of the working people's international experience. After emphasizing that the Baku meeting will become the basis for the further development of creative cooperation between scientists, he wished them success in their important and very necessary work.

Taking part in this reception were the secretary of the Communist Party of Azerbaijan CC, G. A. Gasanov, responsible worker of the CPSU CC, V. A. Georgiyev, and chief of the Department of Propaganda and Agitation of the Communist Party of Azerbaijan CC, A. F. Dashdamirov. (Azerinform).

## Work of Scientific Session Described

Baku BAKINSKIY RABOCHIY in Russian 30 May 81 p 2

*(Article: "Scientific Session Has Completed Its Work")*

*(Text/* On 29 May work was completed in Baku by the All-Union Scientific Session, entitled "The 26th CPSU Congress and Problems of Studying Nationality Relations within the USSR," in which the country's prominent philosophers, sociologists, ethnographers, and historians took part.

More than 40 persons took part in the reports, communiqes, and discussions. Among them were the following: doctor of history and chief of the laboratory of the Institute of the International Labor Movement of the USSR Academy of Sciences, L. A. Gordon, senior colleague of this institute, V. I. Perevedentsev, deputy chairman of the Ethnosociology Section of the Soviet Sociological Association, senior scientific colleague of the Institute of Ethnography of the USSR Academy of Sciences, L. M. Drobizheva, doctor of philosophy, senior colleague of the Institute of Ethnography of the USSR Academy of Sciences (Leningrad Branch), Professor I. S. Kon, and others.

The session emphasized the historic importance of the decisions of the 26th CPSU Congress, which have enriched the theory and practice of building communism with new conclusions and points of view. The Party Congress set before the Soviet scientists studying nationality relations new complex tasks directed at increasing the theoretical and scientific-practical effectiveness of research.

There was widespread discussion of the urgent problems of ethnosociology as an important trend in scientific and practical research; also examined were questions of improving the methodology and methods of the socialist study of international and national processes.

The Session recognized the necessity for the coordinating and investigatory activities of the Ethnic Sociology Section of the Soviet Sociological Association and the Scientific Council on Nationality Problems under the Presidium of the USSR Academy of Sciences. One of the specific expressions of such coordination will be the joint work of the scientific staff members of the Department of Sociology of the Institute of Ethnography of the USSR Academy of Sciences and the Department of Theoretical Problems of Nationality Relations and Internationalist Education of the Institute of Philosophy and Law of the Azerbaijan SSR Academy of Sciences (Azerinform).

## Bromley, Other Participants Interviewed

Baku VYSHKA in Russian 30 May 81 p 2

*(Interview with Academician Yu. V. Bromley and others by A. Donets; passages enclosed in slantlines printed in boldface)*

*(Text/* Yesterday in Baku work was completed by the All-Union Scientific Session, entitled "The 26th CPSU Congress and the Problems of Studying Nationality Relations within the USSR," which was organized by the Ethnosociology Section of the Soviet Sociological Association and the Council of

Sociological Studies of the Communist Party of Azerbaijan  
CC.

VYSHKA's correspondent met with the country's leading scientists who had participated in the work of the Session, and he requested them to answer several questions connected with the problems which had been discussed at the Session./

*Question* /What problems confront the country's sociologists in studying and forecasting the processes taking place in the sphere of nationality relations?

Yu. V. Bromley, chairman of the Scientific Council on Nationality Problems under the Presidium of the USSR Academy of Sciences, and academician answered as follows:/

These problems were precisely formulated at the 26th Party Congress. In his Summary Report to the Congress Comrade L. I. Brezhnev for the first time allocated to a separate category the problem of social-class structure and nationality relations in our country. And this is not just by chance, for, of course, the Soviet state is a multi-national state, and the successful solution of the problems of building communism is impossible without taking nationality specifics into consideration.

The tasks of the scientists proceed from this. They consist in making a more profound study of the urgent problems of social development, reflecting as precisely as possible those social processes which occur in different regions and national republics so that the results obtained can become the genuine basis for specific programs within the social and economic spheres.

In order to do this, it is understandable that we must raise the scientific level of research in all possible ways. We gathered here in Baku in order to share our experiences in the methodology and methods of studying social processes and nationality relations.

A characteristic trait of the present conference is the fact that it is being attended by the representatives of various scientific disciplines. Here are philosophers, sociologists, ethnographers, historians, economists, philologists, psychologists, etc. Because, of course, the effective and thorough study of scientific problems is possible only as comprehensive research. It is precisely at the junction of scientific disciplines that the most positive solutions and new scientific data often emerge.

*Question* /I would like to hear about those specific problems which were considered at the present scientific session.

L. M. Drobizheva, deputy chairman of the Ethnosociology Section of the Soviet Sociological Association, senior scientific colleague of the Institute of Ethnography of the USSR Academy of Sciences, and candidate in history answered as follows:/

One can judge this according to the reports which were delivered at the Session. Let me cite a few of them: "The 26th CPSU Congress on Nationality Relations within the USSR and the Problems of Studying International and National Processes," "Certain Theoretical Problems in Studying Ethnic Groups," "Ethnosociology: Basic

Problems and Research Trends," "International Traits in the Development of the Working Class," "The Role of Family Upbringing in the Process of Reproducing Ethnicity as a Group," "Some Methodological Problems in Studying National Psychology," "Optimization of Conditions for Developing Friendly Interpersonal National Relations," and a number of others. Furthermore, a "round table" was conducted on the methodological problems of ethnosociological research, the problem of "Ethnos and Culture" was discussed, as well as the problems of the development of the linguistic processes. The participants in the Session got acquainted with the experience of international education in Baku's Party organizations and labor groups.

*Question* /As far as is known, ethnosociology is a young scientific discipline which has been around for only a bit more than 10 years. What is the subject of its research, and what are its first results?

Yu. V. Arutyunyan, chairman of the Ethnic Sociology Section of the Soviet Sociological Association, answered as follows:/

Yulian Vladimirovich has already stated that new scientific data, conclusions, and discoveries frequently come into being at the junctures between scientific disciplines. And ethnosociology emerged precisely at the juncture between the two scientific disciplines of ethnography and sociology. The subject of its research, as is evident from the very name of this new scientific trend, is the national within the social and the social aspects within the framework of the national. The ethnic within the social--these are the general social processes--urbanization, change of the social structure, social mobility, migration, etc., though not in society as a whole but among individual nations and ethnic groups, taking their national specifics into account.

A second trend in ethnosociology is the study of ethnic processes, taking into account their social conditionality, i. e., customs, rituals, language, national specifics in culture, national self-awareness, and national psychology in a social cross-section--among the urban and rural population, among the working class, the intelligentsia, and people of diverse professions and occupations.

The most multi-faceted development of ethnosociology has occurred at the Institute of Ethnography of the USSR Academy of Sciences, where an extensive program of research on ethnosociological processes on a nationwide scale has been developed and carried out.

*Question* /Naturally, our readers would be interested in finding out what is the group of main concerns of the scholars of Azerbaijan in the development of sociological research, ethnosociology, and the study of nationality relations.

F. K. Kocharli, director of the Institute of Philosophy and Law of the Azerbaijan SSR Academy of Sciences and an academician, answered as follows:/

Recently, upon the recommendation of the Communist Party of Azerbaijan CC, a Department of Theoretical Problems of Nationality Relations and International Education was created in our institute. It has already proceeded to conduct ethnosociological research on the problem of "International Exchange and the Internationalization of Social Life under Developed Socialism." Sociological research on this topic has been conducted in the cities of Zakatali and Sungait.

This work has laid the foundation for carrying out the program of republic-wide scientific research for 1980--1985, which is planned to be conducted in various ethnographic zones of the republic.

We have also proceeded to study the realities of international relations. Such investigations include questionnaires for young people of international marriages and others dealing with questions of international relations; they are being conducted at the present time in Sumgait, which, since it has a rich ethnic mix of population, is a good laboratory in this respect.

The holding in Baku of the All-Union Scientific Session on Ethnoscioiology will undoubtedly render a great deal of scientific aid in strengthening sociological research in the republic, and it will assist us to more successfully solve the problem set forth in the decree of the 30th Congress of the Communist Party of Azerbaijan with regard to a more profound and multi-faceted study of the socialist way of life of the republic's working people, as well as the processes of the drawing together of the socialist nations and the improvement of international education.

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*Bob*